

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**COUNTY OF MOORE**

**NORTH CAROLINA**

**FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2008**

**FINANCIAL SERVICES**

**LISA L. HUGHES**

**FINANCE OFFICER**

**COUNTY OF MOORE, NORTH CAROLINA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED JUNE 30, 2008**

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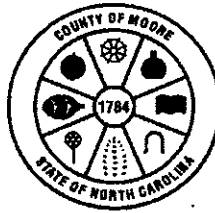
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LARRY R. CADDELL  
District I

COLIN W. McKENZIE, JR.  
District II

CYNTHIA R. MORGAN  
District III

R. TIMOTHY LEA  
District IV



JIMMY D. MELTON  
District V

MISTY RANDALL LELAND  
County Attorney

T. CARY McSWAIN  
County Manager

MEGAN M. OWREY  
Clerk to the Board

## County of Moore

### Board of Commissioners

November 1, 2008

To the Board of County Commissioners and Citizens of County of Moore, North Carolina:

State law requires that every general-purpose local government publish within six months of the close of the fiscal-year a complete set of audited financial statements. This report is published for the fiscal year ended June 30, 2008.

County management assumes full responsibility of the completeness and reliability of the information contained in the report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Dixon-Hughes, P.L.L.C., Certified Public Accountants, have issued an unqualified opinion on the County of Moore's financial statements for the year ended June 30, 2008. The independent auditors' report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

#### ***Profile of the Government***

Moore County was established in 1784 and is located in the Sandhills region of North Carolina. It has a land area of 706 square miles and an estimated population of 84,435. The County has a commissioner/manager form of government. The five members of the Board of Commissioners are elected from districts on a partisan basis and serve staggered four-year terms. Commissioners hold policy-making and legislative authority. They are also responsible for adopting the budget and appointing the County Manager. The Manager is responsible for implementing policies, managing daily operations, and appointing department heads.

The County provides its citizens with a wide range of services that include public safety, sanitation, health and social services, water and sewer, cultural and recreational activities, general administration, and others. This report includes all the County's activities in maintaining these services. The County also extends financial support to certain boards, agencies, and commissions to assist their efforts in serving citizens. Among these are the Moore County Board of Education and Sandhills Community College.

#### ***Local Economy***

The County's economy is well diversified with significant healthcare, retirement, tourism, retail, agriculture and manufacturing sectors.

County residents enjoy a varied lifestyle with many activities available, a diverse host of attractions for entertaining guests, and a pleasant climate. Its location, being 65 miles to Raleigh, 326 miles to Washington, DC, 565 miles to New York City and 355 miles to Atlanta helps to make it an ideal retirement and business community.

There are four major sectors making up Moore County's economy. These are agriculture, tourism, retirement and manufacturing.

### **Agriculture**

The agricultural community in Moore County is served by several groups including: Cooperative Extension, Farm Service Agency, Natural Resource Conservation Service and the Soil and Water Conservation District. The Farm Bureau and Carolina Farm Credit also serve the agricultural community. The agencies mentioned continue to develop programs that will reduce our reliance on the tobacco market, which remains one of our top three crops. Efforts are being made in the areas of cooperative marketing and agritourism. Agritourism may also provide opportunities for generating additional income on farm land from the tourist market already present in Moore County. The County continues to rank 4<sup>th</sup> among counties in the State in poultry production.

### **Tourism**

The suppliers of tourism assets and services in Moore County are well known and quite diverse, ranging from four-star self-contained golf resorts to independent restaurants and family owned motels. Supporting the destinations appeal are 44 golf courses, which are consistently ranked in the top echelon of golf courses within the state and country. The Convention and Visitors Bureau (CVB) serves as the destination marketing organization for the County, responsible for promoting the area for meetings and conventions, motorcoach tours, and individual leisure travelers. Visitors to the destination spent over \$346 million dollars in 2006, which generated \$28 million in state and local taxes.

The strong tourist economy, along with a community-wide effort including the CVB, helped the Pinehurst Resort and the County obtain the rights to host the 1994 U.S. Senior Open; the 2008 U.S. Amateur Open; the 1996, 2001 and 2007 U.S. Women's Open at Pine Needles; and the 1999 and 2005 U.S. Men's Open Championships. These tournaments have increased Moore County's exposure tremendously, and have improved upon an already strong tourism economy. The tourism industry continues to seek new ways to further diversify its business by adding family-friendly amenities and new initiatives and products such as agritourism to the mix.

### **Retirement**

The County's retirement sector is very important to the local economy, as 21% of the County's population is over 65. The County has an above average number of older residents and a higher per capita income than the State average. Many seniors enjoy retirement communities and assisted living facilities as part of their lifestyle.

### **Manufacturing**

In 2002, the County entered into a contract with Partners In Progress, Inc. for economic development services. Partners in Progress brings public and private interests together to further develop the local economy. Over the past year, Partners has been active in increasing the number of jobs in Moore County through recruitment of new industries and expansion of existing industries.

### ***Relevant Financial Policies***

County management is responsible for the accounting system and for establishing and maintaining an internal control structure. The internal control structure is designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements in conformity with accounting principles generally accepted in the United States of America and maintaining accountability for assets; and (3) compliance with applicable laws and regulations related to federal and state financial assistance programs. The concept of reasonable assurance recognizes that (1)

the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

The government's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, all deposits were either insured by federal depository insurance or collateralized. All of the investments held by the government at June 30, 2008 are classified in the category of lowest credit risk as defined by the Governmental Accounting Standards Board.

The Board of Commissioners also appointed an Efficiency Advisory Board consisting of citizens to review major financial projects such as capital improvement plans, employee health insurance and fiscal policies.

### ***Major Initiatives***

During the year the County was involved in a number of major projects, some of which will not be completed until future years. Highlights of these projects are discussed in the paragraphs below.

#### **Capital Improvements**

The County began construction of a new Field House/Concessions area for Hillcrest Park. The project began in FY2008 and will be completed in early fall 2008. The County also purchased 21 acres of land in Carthage for the construction of three new governmental facilities- one for general Government offices and one for Public Safety and a new Detention Center.

#### **Moore County Public Works**

Public Works began revision of its FY2004-2005 approved 10-year Capital Improvement Plan (CIP) for the County's water and sewer system. The CIP includes upgrades to the water system, the wastewater system and the wastewater treatment plant.

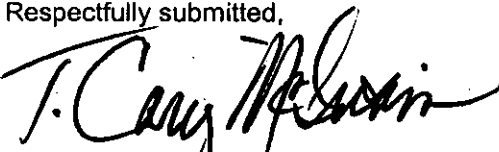
### ***Awards and Acknowledgements***

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Moore County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2007. This was the 20<sup>th</sup> consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficient organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire Financial Services staff. We wish to express appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Commissioners for their support of the aforementioned projects.

Respectfully submitted,

  
T. Cary McSwain  
County Manager

  
Lisa L. Hughes  
Financial Services Director



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Moore  
North Carolina

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Oliver S. Cox*

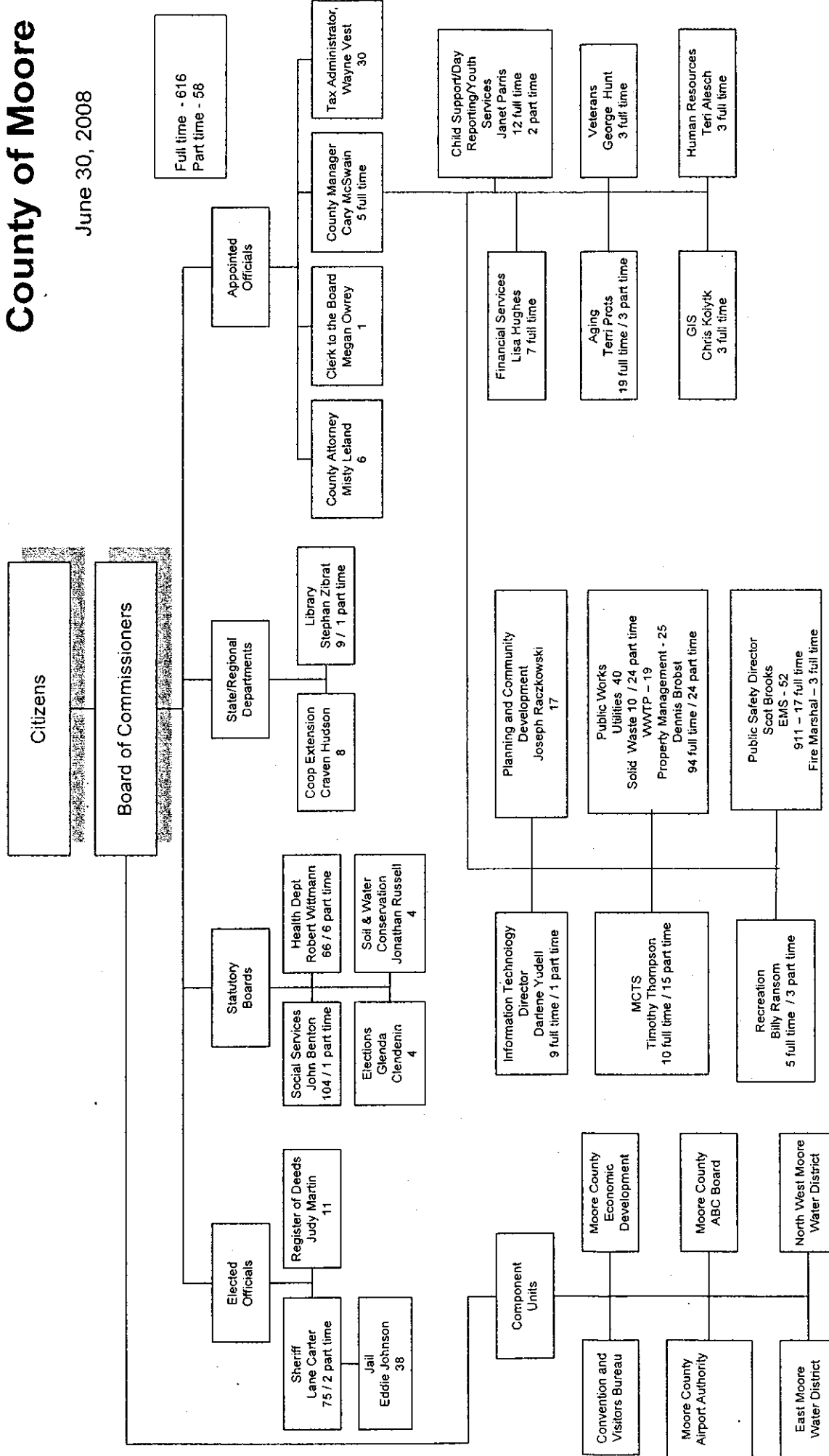
President

*Jeffrey R. Egan*

Executive Director

# County of Moore

June 30, 2008



**COUNTY OF MOORE, NORTH CAROLINA**

**LIST OF PRINCIPAL OFFICIALS**

**June 30, 2008**

**COMMISSIONERS**

Colin W. McKenzie, Jr., Chairman	District 2
Larry R. Caddell, Vice Chairman	District 1
Cynthia R. Morgan	District 3
Jimmy D. Melton	District 5
R. Timothy Lea	District 4

**COUNTY OFFICIALS**

T. Cary McSwain	County Manager
Jeffery W. Parrot	Assistant County Manager
Misty Randall Leland	County Attorney
Megan M. Owrey	Clerk to the Board
E. Lane Carter	Sheriff
Judy D. Martin	Register of Deeds
J. Wayne Vest	Tax Administrator
Lisa L. Hughes	Financial Services Director
Caroline L. Xiong	Assistant Financial Services Director



**DIXON HUGHES** PLLC

Certified Public Accountants and Advisors

## **INDEPENDENT AUDITORS' REPORT**

The Board of County Commissioners  
County of Moore  
Carthage, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Moore, North Carolina, as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statement of the Moore County ABC Board and the Moore County Airport Authority were not audited in accordance with *Government Auditing Standards*. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Moore, North Carolina, as of June 30, 2008 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2008 on our consideration of the County of Moore's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress and Employer Contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of the County of Moore, North Carolina. The introductory information, combining and individual nonmajor fund financial statements and schedules and component unit information and other financial information and the statistical tables, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules and component unit information and other financial information and the accompanying schedule of expenditures of federal and State awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit report, are fairly stated in all material respects in relation to the basic statements taken as a whole.

The introductory information and statistical tables have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Dixon Hughes PLLC*

November 12, 2008  
Southern Pines, North Carolina

## Management's Discussion and Analysis

As the management team of the County of Moore (the County), we offer readers of the County of Moore's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2008. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iii of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- The total assets of the County exceeded its liabilities at the close of the fiscal year by \$71,272,402 (*net assets*).
- The Government's total net assets increased by \$20,722,787, primarily due to increased net assets in the Governmental Activities. Effective January 1, 2007, all real property in Moore County were revaluated and the tax bills reflecting the new value assessments were mailed in July 2007. Revaluation contributed to the increased investment's funding by \$7.6 million in Governmental Activities. The County's restricted cash and investments also increased by \$40.6 million due to the \$40 million new general obligation bonds proceeds restricted to the use of the schools and college for school construction and capital improvements. Capital assets increased in both the Governmental and Business-type Activities as new software systems were purchased and capital projects completed.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$81,166,745, an increase of \$50,616,597 in comparison with the prior year. Approximately 31.6% of this total amount, or \$25,672,359, became available for spending at the Government's discretion (*unreserved fund balance*).
- At the end of the fiscal year, unreserved fund balance for the General Fund was \$22,478,657, or 28.5% of total general fund expenditures for the fiscal year. The 20.5% over the minimum recommended by the LGC is \$16,174,419.
- The County's total debt increased by \$44,490,962 (97.9%) during the fiscal year. The County issued \$40 million new debt for the Moore County Schools and Sandhills Community College and \$1.5 million for 21 acres of land for County facility expansion.
- The County's bond ratings were upgraded with the Spring 2008 issuance of general obligation bonds to AA- (Standard and Poor's) and Aa3 (Moody's).

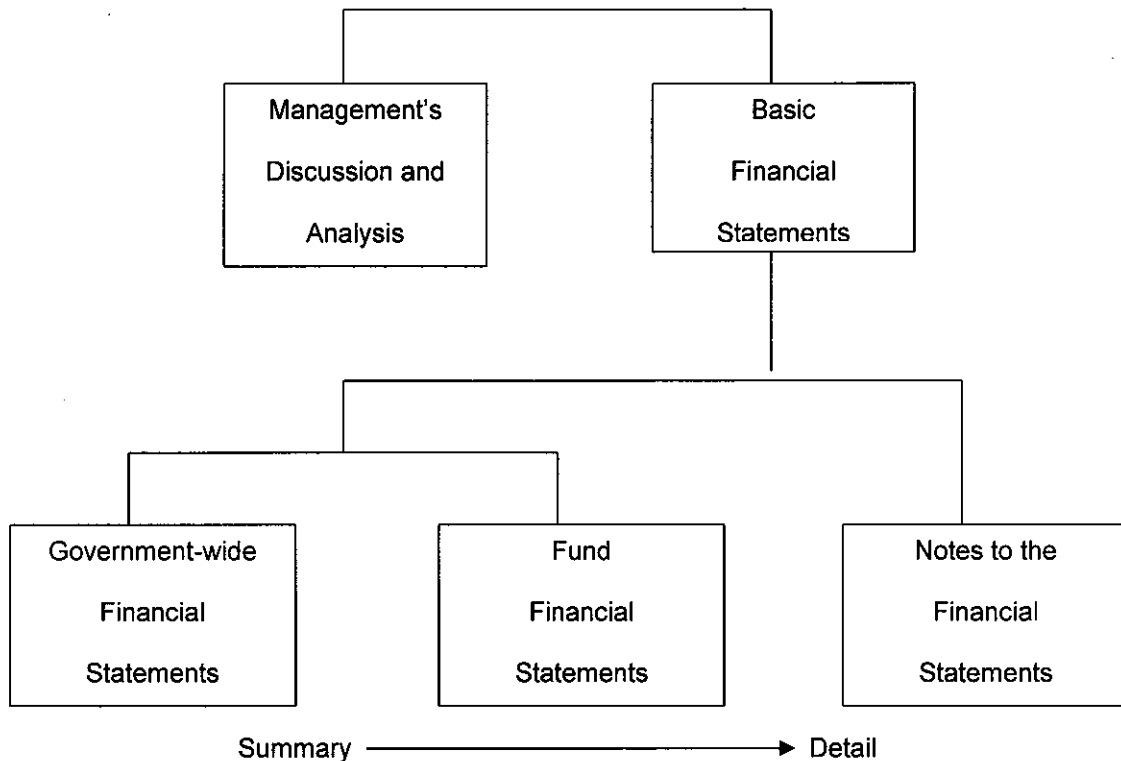
### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Moore County.

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## Required Components of Annual Financial Report

Figure 1



### Basic Financial Statements

The first two statements (Pages 13 and 14) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the County's financial status.

The next statements (Pages 15 through 23) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary (agency) fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds and intragovernmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

### Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, in a manner similar to a private-sector business. The two government-wide statements report the County's net assets and how they have changed. Net

assets are the difference between the County's total assets and total liabilities. Measuring net assets is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories:

- 1) Governmental activities;
- 2) Business-type activities; and,
- 3) Component units.

The governmental activities include most of the County's basic services such as public safety, environmental protection and community development, human services, cultural and recreational, education, and general government. Property taxes, sales taxes and state and federal grant funds finance most of these activities.

The business-type activities are those for which the County charges customers to provide. These include the wastewater treatment plant and public utilities services offered by the County, as well as the East Moore Water District.

The final category is the component units. The component units include the Convention and Visitors Bureau, which promotes the development of travel, tourism and conventions in the County; the Moore County Alcoholic Beverage Control (ABC) Board, which distributes a portion of its surpluses to the County; and the Moore County Airport Authority, which operates an airport facility owned by the County.

The government-wide financial statements are on Pages 13 and 14 of this report.

### **Fund Financial Statements**

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Moore County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Moore County can be divided into three categories: governmental, proprietary and fiduciary (agency) funds.

**Governmental Funds** – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of Moore County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting which provides a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Moore County adopts an annual budget for its General Fund as required by the N.C. General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board of Commissioners about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the Budget Ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the Statement of Revenues, Expenditures and Changes in Fund Balance. The statement shows four



columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board of Commissioners; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

**Proprietary Funds** – Moore County has two kinds of proprietary funds; Enterprise and Intragovernmental funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Moore County uses Enterprise Funds to account for its water and sewer activities. These funds are the same as those functions shown in the business-type activities in the Statement of Net Assets and the Statement of Activities. Intragovernmental funds are an accounting device used to accumulate and allocate costs internally among the functions of the County. The County uses intragovernmental funds to account for three activities: the Management Information Systems Fund, the Risk Management Fund and the Property Management Fund. Because these operations benefit predominately governmental rather than business-type activities, the intragovernmental funds have been included within the governmental activities in the government-wide financial statements.

**Fiduciary Funds** – Agency funds are used to account for assets the County holds on behalf of others by contract, law or agent. The County has four agency funds: Social Services/Sheriff Accounts Fund, Special Tax Districts Fund, Cooperative Extension Agency Fund and Soil & Water Conservation District Fund.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 24-54 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Moore County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 55 of this report.

### **Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as one useful indicator of a Government's financial condition. The assets of Moore County exceeded liabilities by \$71,272,402 as of June 30, 2008. The County's net assets increased by \$20,722,787 for the fiscal year ended June 30, 2008. One significant component of the County's net assets is its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. The County issued \$40 million of general obligation bonds on behalf of the Moore County Schools and Sandhills Community College for facility expansion, renovation and other capital improvements. Moore County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Moore County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. The reason for the surplus in unrestricted net assets in governmental activities is the increase in property taxes as real property in Moore County was revaluated.

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## Moore County's Net Assets

**Figure 2**

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 88,387,369	\$ 36,619,305	\$ 6,231,763	\$ 9,347,328	\$ 94,619,132	\$ 45,966,633
Capital assets	36,779,663	31,956,845	35,336,299	22,819,541	72,115,962	54,776,386
Total assets	125,167,032	68,576,150	41,568,062	32,166,869	166,735,094	100,743,019
Long-term liabilities outstanding	77,182,155	39,756,170	12,743,453	5,678,476	89,925,608	45,434,646
Other liabilities	4,434,783	3,640,971	1,102,301	1,117,787	5,537,084	4,758,758
Total liabilities	81,616,938	43,397,141	13,845,754	6,796,263	95,462,692	50,193,404
Net assets:						
Invested in capital assets, net of related debt	32,469,897	28,359,004	22,717,824	17,243,966	55,187,721	45,602,970
Restricted for Public Safety	936,356	657,918	-	-	936,356	657,918
Restricted for Education	1,586,877	-	-	-	1,586,877	-
Restricted for other purposes	248,859	-	-	-	248,859	-
Unrestricted	8,308,105	(3,837,913)	5,004,484	8,126,640	13,312,589	4,288,727
Total net assets	\$ 43,550,094	\$ 25,179,009	\$ 27,722,308	\$ 25,370,606	\$ 71,272,402	\$ 50,549,615

Several particular aspects of the County's financial operations positively influenced the total unrestricted governmental net assets:

- Continued diligence in the collection of real property taxes by maintaining a collection percentage of 99.66%
- Conservative revenue projections for the 2007-2008 budget cycle
- Spending limitations encouraged by Management
- Continued low cost of debt due to the County's AA-/Aa3 bond ratings
- Debt service reduction

The County's current and other assets increased due to the issuance of the general obligation bonds for the Moore County Schools and Sandhills Community College's facility expansion, renovations and other capital improvements.

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# Moore County Changes in Net Assets

Figure 3

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	\$ 8,106,545	\$ 9,590,823	\$ 10,503,881	\$ 10,039,931	\$ 18,610,426	\$ 19,630,754
Operating grants and contributions	12,869,106	11,824,760	-	-	12,869,106	11,824,760
Capital grants and contributions	5,978,363	1,045,508	1,467,574	936,764	7,445,937	1,982,272
General revenues:						
Property taxes	52,846,189	41,692,820	-	-	52,846,189	41,692,820
Sales taxes	18,927,906	18,348,882	-	-	18,927,906	18,348,882
Other taxes and licenses	274,820	517,594	-	-	274,820	517,594
Grants and contributions not restricted to specific programs	375,272	318,332			375,272	318,332
Other	2,690,132	2,779,318	401,432	406,414	3,091,564	3,185,732
Total revenues	102,068,333	86,118,037	12,372,887	11,383,109	114,441,220	97,501,146
Expenses:						
General government	6,419,393	6,445,463	-	-	6,419,393	6,445,463
Public safety	16,082,881	15,237,755	-	-	16,082,881	15,237,755
Environmental protection and community development	3,781,251	3,645,711	-	-	3,781,251	3,645,711
Human services	21,345,247	22,011,600	-	-	21,345,247	22,011,600
Cultural and recreation	1,065,976	1,133,636	-	-	1,065,976	1,133,636
Education	31,817,634	27,414,347	-	-	31,817,634	27,414,347
Grants-other	1,359,234	1,568,351	-	-	1,359,234	1,568,351
Debt service - interest	1,799,518	1,800,218	-	-	1,799,518	1,800,218
Wastewater treatment	-	-	2,608,148	2,393,466	2,608,148	2,393,466
Public utilities	-	-	6,449,772	6,570,420	6,449,772	6,570,420
East Moore water district	-	-	989,379	422,642	989,379	422,642
Total expenses	83,671,134	79,257,081	10,047,299	9,386,528	93,718,433	88,643,609
Increase in net assets before	18,397,199	6,860,956	2,325,588	1,996,581	20,722,787	8,857,537
Transfers	(26,114)	-	26,114	-	-	-
Increase in net assets	18,371,085	6,860,956	2,351,702	1,996,581	20,722,787	8,857,537
Net assets, July 1	25,179,009	18,318,053	25,370,606	23,374,025	50,549,615	41,692,078
Net assets, June 30	\$ 43,550,094	\$ 25,179,009	\$ 27,722,308	\$ 25,370,606	\$ 71,272,402	\$ 50,549,615

**Governmental activities:** Governmental activities increased the County's net assets by \$18,371,085. Key elements of this increase are as follows:

- Several departments in the General Fund, including recreation, environmental health, building inspections and the Transportation special revenue fund increased their charges for services.
- Increased sales taxes were received due to a better economy and area resorts hosting several national/international golf tournaments during the fiscal year.
- Issuance of \$40 million general obligation bonds for the Moore County Schools and Sandhills Community College's facility expansion, renovation and other capital improvements
- Decreased total debt service due to some debts expiring.
- Increased property taxes due to revaluation which increased the County's cash for investment in North Carolina Management Trust Fund.

**Business-type activities:** Business-type activities increased Moore County's net assets by \$2,351,702. Key elements of this increase are as follows:

- In early 2008, the County issued bond anticipation notes for the East Moore Water District's Phase II construction. The acquisition and construction of certain water system improvements in East Moore Water District increased the capital assets in business-type activities in the current fiscal year. The projects will be completed by the end of July 2008.
- The East Moore Water District also received \$966,167 in USDA grant for Phase II.
- WWTP received a capital contribution of \$101,407 from the NC Rural Economic Development Center for the Infrastructure Improvements to the Moore County Wastewater Treatment Facility
- Public Utilities received a capital contribution of \$400,000 from the NC Rural Economic Development Center for the Interconnection between the EMWD and the Pinehurst System.

### **Financial Analysis of the County's Funds**

As noted earlier, Moore County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of Moore County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Moore County's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Moore County. At the end of the fiscal year, unreserved fund balance of the General Fund was \$22,478,657 (of which \$16,174,419 is above the 8% LGC recommended threshold), while total fund balance reached \$34,116,979. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 28.5% of total General Fund expenditures, while total fund balance represents 43.3% of that same amount.

On June 30, 2008, the governmental funds of Moore County reported a combined fund balance of \$81,166,745 a 166% increase over last year. The primary reason for this change was the increase in the General Fund's fund balance and the School/College Bond Project Fund. The General Fund's fund balance increased by \$8.6 million, while Other Governmental Funds' fund balance increased by \$42.1 million.

**General Fund Budgetary Highlights:** Moore County employs conservative budgetary practices. Revenue estimates are based on conservative assumptions and projections. County departments are encouraged to provide a high level of service to the citizens of Moore County while working to conserve available resources. Actual revenues exceeded budget by \$6.2 million or 7.5% while actual expenditures were \$3.6 million or 4.4% under budget.

During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and, 3) increases in appropriations that become necessary to maintain service levels. Total amendments to the General Fund increased revenues by \$1,097,116.

**Proprietary Funds:** Moore County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net assets of the Wastewater Treatment Fund at the end of the fiscal year amounted to \$949,543; those for the Public Utilities Fund equaled \$3,593,162; and those for the East Moore Water District totaled \$461,779. The total growth in net assets for the funds was \$(256,068); \$858,214; and \$1,749,556, respectively.

### Capital Asset and Debt Administration

**Capital assets:** Moore County's investment in capital assets for its governmental and business-type activities as of June 30, 2008, totals \$72,115,962 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, airport and park facilities, water and sewer systems, a wastewater treatment plant, and vehicles.

Major capital asset transactions during the year include:

- Purchase of 21 acres to construct new County facilities (Governmental Center, Public Safety Complex and Detention Center)
- Continued implementation of the Public Utilities and Waste Water Treatment Plant's Capital Improvement Plan
- Upgrading the County's motor fleet more aggressively than in the past

### Moore County's Capital Assets (net of depreciation)

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 18,523,389	\$ 13,701,660	\$ 499,811	\$ 499,811	\$ 19,023,200	\$ 14,201,471
Construction in progress	26,500	-	16,225,230	3,353,225	16,251,730	3,353,225
Buildings	13,888,272	14,378,220	3,168,503	3,317,063	17,056,775	17,695,283
Wastewater treatment plant	-	-	134,552	134,552	134,552	134,552
Wastewater treatment lines	-	-	3,474,188	3,823,955	3,474,188	3,823,955
Water and sewer systems	-	-	10,500,224	11,139,799	10,500,224	11,139,799
Equipment	1,717,053	1,458,775	899,298	479,571	2,616,351	1,938,346
Vehicles	2,624,449	2,418,190	434,493	71,565	3,058,942	2,489,755
Total	\$ 36,779,663	\$ 31,956,845	\$ 35,336,299	\$ 22,819,541	\$ 72,115,962	\$ 54,776,386

Additional information on the County's capital assets can be found in note 6 of the Basic Financial Statements.

**Long-term Debt:** As of June 30, 2008, Moore County had total bonded debt outstanding of \$74,575,500 all of which is debt backed by the full faith and credit of the County.

### Moore County's Outstanding Debt

Figure 5

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
General obligation bonds	\$ 65,200,000	\$ 27,300,000	\$ 9,375,500	\$ 1,736,500	\$ 74,575,500	\$ 29,036,500
Certificates of participation	830,000	1,215,000	-	-	830,000	1,215,000
Notes payable	8,736,520	9,221,277	3,242,975	3,839,075	11,979,495	13,060,352
Capital lease payable	63,204	-	-	-	63,204	-
Accrued vacation benefits	1,647,492	1,404,374	124,978	102,901	1,772,470	1,507,275
Net pension obligation	704,939	615,519	-	-	704,939	615,519
	<u>\$ 77,182,155</u>	<u>\$ 39,756,170</u>	<u>\$ 12,743,453</u>	<u>\$ 5,678,476</u>	<u>\$ 89,925,608</u>	<u>\$ 45,434,646</u>

Moore County's total debt increased by \$44,490,962 (97.9%) during the fiscal year, primarily due to the issuance of \$40 million G.O. Bond for Moore County School and Sandhills Community College and \$1.5 million for 21 acres for county facility expansion.

As mentioned in the financial highlights section of this document, Moore County's bond ratings were upgraded in spring 2008 to Aa3 from Moody's Investor Service and AA- rating from Standard and Poor's Corporation. This bond rating is an indication of the sound financial condition of Moore County. Moore County's bond ratings are a primary factor in keeping interest costs low on the County's outstanding debt.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Moore County is \$792,093,404. The East Moore Water District has authorized but unissued bonds of \$6,542,000. The North West Moore Water District has authorized, but unissued bonds of \$16,000,000. Moore County has also authorized but unissued bonds of \$29.5 million on behalf of the Moore County School and Sandhills Community College.

Additional information regarding Moore County's long-term debt can be found in note 12 on pages 47-51 of this report.

### Economic Factors and Next Year's Budgets and Rates

Moore County's economy remains strongly rooted in healthcare, tourism, retirement and agriculture.

Moore County's standard of living continues to be one of the highest in North Carolina on average. However, there remain large variances countywide. The per capita income for 2006 was \$36,932. Property values have increased due to the revaluation of real property in Moore County.

The services sector continues to provide more new jobs while traditional manufacturing, such as textiles, continue to decline. As of July 2008, our unemployment rate was 4.9%.

Overall we maintain a positive outlook regarding Moore County's economic condition and a commitment to work hard to improve it.

### **Budget Highlights for the Fiscal Ending June 30, 2009**

**Governmental Activities:** The budget for fiscal year 2008-2009 continues the movement from an entitlement mentality toward a performance budget system. The budget maintains the County's priorities of education, public safety, and human services, but takes a step toward a dynamic, systematic approach to solving community issues for both today and tomorrow.

One of the primary objectives of the 2009 budget is to maintain its low ad valorem tax rate. However due to the issuance of \$40 million in general obligation bonds for the Moore County Schools and Sandhills Community College, the tax rate was increased to 47.9 cents/\$100 and the Advanced Life Support Tax for the Emergency Medical Service Fund decreased to 2.5 cents/\$100.

Issues to be addressed during the 2009 fiscal year include implementation of the County's facility plan beginning with designing the Government Center, the Public Safety Complex, the Detention Center and the technology needs for Tax and Financial software. Also anticipated is a 2009 issuance of \$29.5 million of general obligation bonds on behalf of the Moore County Schools and Sandhills Community College.

**Business-type Activities:** Water and sewer rates increased in fiscal year 2009. Construction of East Moore Water District Phase II will be completed during the fiscal year.

### **Requests for Information**

This report is designed to provide an overview of the Moore County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to Financial Services, Moore County, Post Office Box 905, 206 South Ray Street, Carthage, North Carolina, 28327.

# COUNTY OF MOORE, NORTH CAROLINA

## Statement of Net Assets

June 30, 2008

	Governmental Activities	Business Type Activities	Total Primary Government	Component Units		
				Convention and Visitors Bureau	Moore County ABC Board	Moore County Airport Authority
<b>Assets</b>						
Cash	\$ 15,568,860	\$ 520,026	\$ 16,088,886	\$ 259,640	\$ 1,204,433	\$ 849,497
Investments	20,309,972	3,110,546	23,420,518	-	-	189,213
Receivables:						
Property taxes (net of allowances for uncollectible taxes of \$171,000)	827,294	-	827,294	-	-	-
Returned checks	13,771	-	13,771	-	-	-
Accounts receivable, (net)	566,623	1,808,658	2,375,281	129,286	4,227	232,461
Due from other governments and agencies	7,943,097	176,734	8,119,831	-	-	349,812
Inventories	89,344	615,799	705,143	-	642,945	134,286
Prepaid expenses	-	-	-	-	40,923	-
Deferred charges	399,592	-	399,592	-	-	-
Restricted cash and investments	42,668,816	-	42,668,816	-	-	-
Capital assets, Depreciable, net of depreciation	18,229,774	18,611,258	36,841,032	7,561	560,049	158,831
Capital assets- Non-depreciable	18,549,889	16,725,041	35,274,930	-	90,751	142,052
<b>Total assets</b>	<b>125,167,032</b>	<b>41,568,062</b>	<b>166,735,094</b>	<b>396,487</b>	<b>2,543,328</b>	<b>2,056,152</b>
<b>Liabilities</b>						
Accounts payable and accrued liabilities	2,736,924	1,041,749	3,778,673	38,235	693,541	663,466
Accrued interest	328,615	60,552	389,167	-	-	-
Unearned revenues:						
Advance payments of taxes and licenses	292,583	-	292,583	-	-	-
Unearned grant proceeds	86,140	-	86,140	-	-	-
Unearned rent	-	-	-	-	-	19,620
Unearned bond premium	382,255	-	382,255	-	-	-
Payable from restricted assets	608,266	-	608,266	-	-	-
Long-term liabilities:						
Due within one year	6,336,543	8,358,439	14,694,982	-	-	-
Due in more than one year	70,845,612	4,385,014	75,230,626	27,507	-	27,026
<b>Total liabilities</b>	<b>81,616,938</b>	<b>13,845,754</b>	<b>95,462,692</b>	<b>65,742</b>	<b>693,541</b>	<b>710,112</b>
<b>Net assets</b>						
Invested in capital assets, net of related debt	32,469,897	22,717,824	55,187,721	7,561	650,800	300,883
Restricted for:						
Public safety	936,356	-	936,356	-	-	-
Education	1,586,877	-	1,586,877	-	-	-
Other purposes	248,859	-	248,859	-	251,452	-
Unrestricted	8,308,105	5,004,484	13,312,589	323,184	947,535	1,045,157
<b>Total net assets</b>	<b>\$ 43,550,094</b>	<b>\$ 27,722,308</b>	<b>\$ 71,272,402</b>	<b>\$ 330,745</b>	<b>\$ 1,849,787</b>	<b>\$ 1,346,040</b>



**COUNTY OF MOORE, NORTH CAROLINA**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2008**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets				Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Convention and Visitors Bureau	Moore County ABC Board	Moore County Airport Authority	
					Governmental Activities	Business-type Activities					
<b>Primary government:</b>											
Governmental activities:											
General government	\$ 6,419,393	\$ 2,396,489	\$ 556,568	\$ 6,900	\$ (3,459,436)	\$ -	\$ (3,459,436)	\$ -	\$ -	\$ -	
Public safety	16,082,881	2,734,736	1,214,114	-	(12,134,031)	-	(12,134,031)	-	-	-	
Environmental protection and community development	3,781,251	2,078,773	75,540	3,240,893	1,613,955	-	1,613,955	-	-	-	
Human services	21,345,247	701,464	10,860,146	339,200	(9,444,437)	-	(9,444,437)	-	-	-	
Cultural and recreational	1,065,976	195,083	19,500	-	(851,393)	-	(851,393)	-	-	-	
Education	31,817,634	-	143,238	2,391,370	(29,283,026)	-	(29,283,026)	-	-	-	
Grants-other	1,359,234	-	-	-	(1,359,234)	-	(1,359,234)	-	-	-	
Debt service - interest	1,799,518	-	-	-	(1,799,518)	-	(1,799,518)	-	-	-	
Total governmental activities	83,671,134	8,106,545	12,869,106	5,978,363	(56,717,120)	-	(56,717,120)	-	-	-	
<b>Business-type activities:</b>											
Wastewater treatment	2,608,148	2,192,397	-	101,407	-	(314,344)	(314,344)	-	-	-	
Public utilities	6,449,772	6,670,147	-	400,000	-	620,375	620,375	-	-	-	
East Moore water district	989,379	1,641,337	-	966,167	-	1,618,125	1,618,125	-	-	-	
Total business-type activities	10,047,299	10,503,881	-	1,467,574	-	1,924,156	1,924,156	-	-	-	
<b>Total primary government</b>	<b>\$ 93,718,433</b>	<b>\$ 18,610,426</b>	<b>\$ 12,869,106</b>	<b>\$ 7,445,937</b>	<b>(56,717,120)</b>	<b>1,924,156</b>	<b>(54,792,964)</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Component units:</b>											
Convention and Visitors Bureau	\$ 1,622,753	\$ 244,627	\$ -	\$ -	-	-	(1,378,126)	(1,378,126)	342,674	-	
Moore County ABC Board	5,920,461	6,263,135	-	-	-	-	-	-	-	(46,043)	
Moore County Airport Authority	4,064,844	3,541,596	477,205	-	-	-	-	-	342,674	(46,043)	
Total component units	<b>\$ 11,608,058</b>	<b>\$ 10,049,358</b>	<b>\$ 477,205</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>(1,378,126)</b>	<b>(1,378,126)</b>	<b>342,674</b>	<b>(46,043)</b>	
<b>General revenues:</b>											
Property taxes					52,846,189	-	52,846,189	-	-	-	
Sales taxes					18,927,906	-	18,927,906	-	-	-	
Net room occupancy taxes					-	-	-	1,345,234	-	-	
Other taxes and licenses					274,820	-	274,820	-	-	-	
Unrestricted intergovernmental revenues					375,272	-	375,272	-	-	-	
Donations					108,512	-	108,512	-	-	-	
Sales tax refunds					174,082	-	174,082	-	-	-	
Investment income					2,101,195	-	2,101,195	-	-	-	
Other revenues					-	-	-	-	-	-	
Miscellaneous					39,355	-	39,355	-	-	-	
Payments from component units					419,844	-	419,844	-	-	-	
Gain on sale of capital assets					3,700	-	3,700	-	-	-	
Transfers					(26,114)	-	(26,114)	-	-	-	
Total general revenues					75,088,205	427,546	75,515,751	1,345,234	39,102	4,340	
Change in net assets					18,371,085	2,351,702	20,722,787	(32,892)	381,776	(41,703)	
Net assets - beginning					25,179,009	25,370,606	50,549,615	363,637	1,468,011	1,387,743	
Net assets - ending					\$ 43,550,094	\$ 27,722,308	\$ 71,272,402	\$ 330,745	\$ 1,849,787	\$ 1,346,040	

The notes to the financial statements are an integral part of this statement.

**COUNTY OF MOORE, NORTH CAROLINA**

**Balance Sheet  
Governmental Funds  
June 30, 2008**

	<b>General</b>	<b>School/College Bond Project Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>				
Cash	\$ 6,214,142	\$ 7,011	\$ 5,081,513	\$ 11,302,666
Investments	20,309,972	-	-	20,309,972
Receivables:				
Property taxes (net of allowance for uncollectible taxes of \$171,000 at June 30, 2008)	683,309	-	53,926	737,235
Returned checks	13,771	-	-	13,771
Accounts receivable	-	-	506,861	506,861
Due from other governments and agencies	7,563,922	18,393	360,782	7,943,097
Due from other funds	1,495,000	-	-	1,495,000
Inventories	3,954	-	-	3,954
Restricted cash and investments	461,675	41,829,524	377,617	42,668,816
<b>Total assets</b>	<b>\$ 36,745,745</b>	<b>\$ 41,854,928</b>	<b>\$ 6,380,699</b>	<b>\$ 84,981,372</b>
<b>Liabilities and fund balances</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,666,261	\$ -	\$ 424,142	\$ 2,090,403
Deferred revenues:				
Advance payments of taxes and licenses	279,196	-	13,387	292,583
Unearned grant proceeds	-	-	86,140	86,140
Uncollected property taxes	683,309	-	53,926	737,235
Accounts payable from restricted assets	-	605,756	2,510	608,266
<b>Total liabilities</b>	<b>2,628,766</b>	<b>605,756</b>	<b>580,105</b>	<b>3,814,627</b>
Fund balances:				
Reserved for:				
State statute	9,072,693	18,393	867,643	9,958,729
Wireless 911 expenditures	-	-	936,356	936,356
Financing agreement compliance	461,675	39,636,891	40,108	40,138,674
Inventories	3,954	-	-	3,954
Grant agreement compliance	-	-	248,859	248,859
Education - lottery & ADM funds	-	1,586,877	-	1,586,877
Unreserved, designated for:				
Special Revenue Funds - Subsequent year's expenditures	-	-	520,937	520,937
General Fund's Capital Reserve Fund - Subsequent year's expenditures	2,000,000	-	-	2,000,000
General Fund's Tax Revaluation Fund - Subsequent year's expenditures	100,000	-	-	100,000
Unreserved, reported in:				
General fund	22,478,657	-	-	22,478,657
Special revenue funds	-	-	2,877,682	2,877,682
Capital project funds	-	7,011	309,009	316,020
<b>Total fund balances</b>	<b>34,116,979</b>	<b>41,249,172</b>	<b>5,800,594</b>	<b>81,166,745</b>
<b>Total liabilities and fund balances</b>	<b>\$ 36,745,745</b>	<b>\$ 41,854,928</b>	<b>\$ 6,380,699</b>	<b>\$ 84,981,372</b>

**COUNTY OF MOORE, NORTH CAROLINA**  
**Reconciliation of the Balance Sheet of Governmental Funds to the**  
**Statement of Net Assets**  
**June 30, 2008**

Amounts reported for governmental activities in the statement of net assets are different because:

Ending fund balance - governmental funds	\$ 81,166,745
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	32,443,105
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,226,886
Unearned bond premium reported as a liability in the government-wide statement and will be recognized a revenue in the fiscal year they are earned	(382,255)
Internal service funds are used by management to charge the costs of property management, management information services and risk management costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	6,438,079
Accrued interest payable on long-term debt is not a current expenditure and therefore is not reflected in the funds.	(328,615)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(77,013,851)</u>
Net assets of governmental activities	<u><u>\$ 43,550,094</u></u>

**COUNTY OF MOORE, NORTH CAROLINA**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2008**

	<b>General</b>	<b>School/College Bond Project Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>				
Property taxes	\$ 49,525,448	\$ -	\$ 3,350,236	\$ 52,875,684
Sales taxes	18,927,906	-	-	18,927,906
Other taxes and licenses	57,987	-	216,833	274,820
Unrestricted intergovernmental revenues	375,272	-	-	375,272
Restricted intergovernmental revenues	11,792,691	2,391,370	4,656,508	18,840,569
Charges for services	5,144,126	-	2,962,419	8,106,545
Investment income	1,937,276	160,828	202	2,098,306
Sales tax refunds	-	17,526	-	17,526
Miscellaneous	1,100	-	-	1,100
Donations	108,052	-	460	108,512
Payments from component units	419,844	-	-	419,844
Total revenues	<u>88,289,702</u>	<u>2,569,724</u>	<u>11,186,658</u>	<u>102,046,084</u>
<b>Expenditures</b>				
Current:				
General government	6,089,969	-	-	6,089,969
Public safety	10,640,019	-	4,812,889	15,452,908
Environmental protection and community development	3,660,696	-	15,410	3,676,106
Human services	20,154,478	-	1,018,941	21,173,419
Cultural and recreational	1,075,596	-	-	1,075,596
Education	29,248,424	-	-	29,248,424
Grants - other	1,359,234	-	-	1,359,234
Capital outlay	423,475	2,552,397	5,706,639	8,682,511
Bond issuance costs	-	338,888	-	338,888
Debt service:				
Principal	4,469,757	-	-	4,469,757
Interest	1,681,327	-	-	1,681,327
Total expenditures	<u>78,802,975</u>	<u>2,891,285</u>	<u>11,553,879</u>	<u>93,248,139</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>9,486,727</u>	<u>(321,561)</u>	<u>(367,221)</u>	<u>8,797,945</u>
<b>Other financing sources (uses)</b>				
Transfers from other funds	101,704	-	2,458,952	2,560,656
Transfers to other funds	(2,529,144)	-	(101,704)	(2,630,848)
Proceeds from sale of capital assets	-	-	3,700	3,700
Bonds premium	-	385,144	-	385,144
Installment purchase obligation issued	1,500,000	-	-	1,500,000
Bonds issued	-	40,000,000	-	40,000,000
Total other financing sources (uses)	<u>(927,440)</u>	<u>40,385,144</u>	<u>2,360,948</u>	<u>41,818,652</u>
<b>Net change in fund balances</b>	<u>8,559,287</u>	<u>40,063,583</u>	<u>1,993,727</u>	<u>50,616,597</u>
<b>Fund balance - beginning</b>	<u>25,557,692</u>	<u>1,185,589</u>	<u>3,806,867</u>	<u>30,550,148</u>
<b>Fund balance - ending</b>	<u>\$ 34,116,979</u>	<u>\$ 41,249,172</u>	<u>\$ 5,800,594</u>	<u>\$ 81,166,745</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF MOORE, NORTH CAROLINA**  
**Reconciliation of the Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances of Governmental Funds to the**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2008**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 50,616,597
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay expense exceeds depreciation expense.	4,116,506
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(29,495)
--	----------

Accrued interest payable on long-term debt is not a current expenditure and therefore is not reflected in the funds.	(116,148)
--	-----------

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(37,410,056)
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Internal service funds are used by management to charge the costs of property management, management information services and risk management costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	1,193,681
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Change in net assets of governmental activities	<u>\$ 18,371,085</u>
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**COUNTY OF MOORE, NORTH CAROLINA**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - General Fund  
For the Fiscal Year Ended June 30, 2008**

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 47,684,545	\$ 47,684,545	\$ 49,525,448	\$ 1,840,903
Sales taxes	15,165,428	15,403,428	18,927,906	3,524,478
Other taxes and licenses	55,000	55,000	57,987	2,987
Unrestricted intergovernmental revenues	318,300	318,300	375,272	56,972
Restricted intergovernmental revenues	11,472,407	11,995,929	11,792,691	(203,238)
Investment income	1,225,500	1,225,500	1,937,276	711,776
Miscellaneous	-	1,100	1,100	-
Charges for services	4,682,912	4,947,593	5,144,126	196,533
Donations	38,250	95,063	108,052	12,989
Payments from component units	364,500	377,500	419,844	42,344
Total revenues	<u>81,006,842</u>	<u>82,103,958</u>	<u>88,289,702</u>	<u>6,185,744</u>
<b>EXPENDITURES</b>				
Current:				
General government	6,239,470	6,802,921	6,089,969	712,952
Public safety	10,908,021	10,979,591	10,640,019	339,572
Environmental protection and community development	4,045,381	4,016,952	3,660,696	356,256
Human services	22,150,423	21,965,169	20,154,478	1,810,691
Cultural and recreational	1,197,733	1,203,357	1,075,596	127,761
Education	28,850,930	29,248,424	29,248,424	-
Grants - other	1,367,402	1,417,402	1,359,234	58,168
Capital outlay	298,348	628,742	423,475	205,267
Debt service:				
Principal	4,369,738	4,469,763	4,469,757	6
Interest	1,643,495	1,683,470	1,681,327	2,143
Total expenditures	<u>81,070,941</u>	<u>82,415,791</u>	<u>78,802,975</u>	<u>3,612,816</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(64,099)</u>	<u>(311,833)</u>	<u>9,486,727</u>	<u>9,798,560</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	-	-	101,704	101,704
Transfers to other funds	(174,848)	(2,537,578)	(2,529,144)	8,434
Installment purchase obligation issued	-	1,500,000	1,500,000	-
Fund balance appropriated	238,947	1,349,411	-	(1,349,411)
Total other financing sources (uses)	<u>64,099</u>	<u>311,833</u>	<u>(927,440)</u>	<u>(1,239,273)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>8,559,287</u>	<u>\$ 8,559,287</u>
<b>FUND BALANCE - BEGINNING</b>			<u>25,557,692</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$ 34,116,979</u>	

**MOORE COUNTY, NORTH CAROLINA**

**Statement of Net Assets  
Proprietary Funds  
June 30, 2008**

	<b>Enterprise Funds</b>				<b>Internal Service Funds</b>
	<b>Wastewater Treatment Fund</b>	<b>Public Utilities Fund</b>	<b>East Moore Water District Fund</b>	<b>Total</b>	
<b>Assets</b>					
Current assets					
Cash	\$ 350,960	\$ 38,974	\$ 130,092	\$ 520,026	\$ 4,266,194
Investments	254,045	2,856,501	-	3,110,546	-
Accounts receivable	244,257	794,238	770,163	1,808,658	59,762
Due from other governments and agencies	12,423	35,653	128,658	176,734	-
Inventories	190,989	295,761	129,049	615,799	85,390
Total current assets	<u>1,052,674</u>	<u>4,021,127</u>	<u>1,157,962</u>	<u>6,231,763</u>	<u>4,411,346</u>
Noncurrent assets					
Capital assets					
Land and construction in progress	4,183,699	3,148,070	9,393,272	16,725,041	-
Other capital assets, net of depreciation	3,828,866	11,955,701	2,826,691	18,611,258	4,336,558
Total noncurrent assets	<u>8,012,565</u>	<u>15,103,771</u>	<u>12,219,963</u>	<u>35,336,299</u>	<u>4,336,558</u>
Total assets	<u>9,065,239</u>	<u>19,124,898</u>	<u>13,377,925</u>	<u>41,568,062</u>	<u>8,747,904</u>
<b>Liabilities</b>					
Current liabilities					
Accounts payable and accrued liabilities	60,100	333,627	648,022	1,041,749	247,099
Accrued interest	-	12,391	48,161	60,552	-
Insurance claims payable	-	-	-	-	399,422
Due to general fund	-	-	-	-	1,495,000
Current maturities of long-term debt	16,500	657,939	7,684,000	8,358,439	21,317
Total current liabilities	<u>76,600</u>	<u>1,003,957</u>	<u>8,380,183</u>	<u>9,460,740</u>	<u>2,162,838</u>
Noncurrent liabilities					
Notes payable	-	2,618,536	-	2,618,536	-
Capital lease payable	-	-	-	-	41,887
Bonds payable	-	-	1,691,500	1,691,500	-
Accrued vacation benefits	26,531	48,447	-	74,978	105,100
Total noncurrent liabilities	<u>26,531</u>	<u>2,666,983</u>	<u>1,691,500</u>	<u>4,385,014</u>	<u>146,987</u>
Total liabilities	<u>103,131</u>	<u>3,670,940</u>	<u>10,071,683</u>	<u>13,845,754</u>	<u>2,309,825</u>
<b>Net assets</b>					
Invested in capital assets, net of related debt	8,012,565	11,860,796	2,844,463	22,717,824	4,273,354
Unrestricted net assets	949,543	3,593,162	461,779	5,004,484	2,164,725
Total net assets	<u>\$ 8,962,108</u>	<u>\$ 15,453,958</u>	<u>\$ 3,306,242</u>	<u>\$ 27,722,308</u>	<u>\$ 6,438,079</u>

**MOORE COUNTY, NORTH CAROLINA**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2008**

	<b>Enterprise Funds</b>			
	<b>Wastewater Treatment Fund</b>	<b>Public Utilities Fund</b>	<b>East Moore Water District Fund</b>	<b>Internal Service Funds</b>
<b>Operating revenues</b>				
Charges for services	\$ 2,192,397	\$ 6,670,147	\$ 1,641,337	\$ 12,605,853
Total operating revenues	2,192,397	6,670,147	1,641,337	12,605,853
<b>Operating expenses</b>				
Salaries and fringe benefits	1,115,709	1,943,226	-	1,760,986
Operational expenses	755,925	2,897,138	706,255	3,567,845
Professional services	73,775	11,452	47,000	-
Repairs and maintenance	69,671	474,887	-	-
Depreciation	593,068	960,996	86,966	841,601
Administrative costs	-	-	-	188,953
Hospitalization benefits and insurance premiums	-	-	-	4,846,583
Wellness Clinic	-	-	-	293,394
Total operating expenses	2,608,148	6,287,699	840,221	11,499,362
<b>Operating income (loss)</b>	(415,751)	382,448	801,116	1,106,491
<b>Nonoperating revenue (expense)</b>				
Investment income	41,963	178,289	2,773	-
Sales tax refund	11,988	33,436	128,658	-
Gain on disposal of capital assets	4,325	-	-	38,255
Interest	-	(162,073)	(149,158)	(2,043)
Total nonoperating revenue (expense)	58,276	49,652	(17,727)	36,212
<b>Income (loss) before contributions and transfers</b>	(357,475)	432,100	783,389	1,142,703
<b>Capital contributions</b>	101,407	400,000	966,167	6,900
<b>Transfer from other funds</b>	-	26,114	-	44,078
<b>Change in net assets</b>	(256,068)	858,214	1,749,556	1,193,681
<b>Total net assets - beginning</b>	9,218,176	14,595,744	1,556,686	5,244,398
<b>Total net assets - ending</b>	\$ 8,962,108	\$ 15,453,958	\$ 3,306,242	\$ 6,438,079



**MOORE COUNTY, NORTH CAROLINA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2008**

	<b>Enterprise Funds</b>				<b>Internal Service Funds</b>
	<b>Wastewater Treatment Fund</b>	<b>Public Utilities Fund</b>	<b>East Moore Fund</b>	<b>Total</b>	
<b>Cash flows from operating activities</b>					
Cash received from customers	\$ 2,584,432	\$ 6,744,510	\$ 831,778	\$ 10,160,720	\$ 12,557,694
Cash paid for goods and services	(1,110,575)	(3,826,398)	(277,194)	(5,214,167)	(9,087,615)
Cash paid to employees for services	(1,103,618)	(1,920,463)	-	(3,024,079)	(1,734,611)
<b>Net cash provided by operating activities</b>	<b>370,241</b>	<b>997,649</b>	<b>554,584</b>	<b>1,922,474</b>	<b>1,735,468</b>
<b>Cash flows from (to) noncapital financing</b>					
Sales tax refund	11,988	33,436	128,658	174,082	-
Due to general fund	(30,000)	-	(10,000)	(40,000)	(121,000)
Due from general fund	-	-	-	-	1,495,000
Transfer in	-	26,114	-	26,114	44,078
<b>Net cash provided (used) by noncapital financing</b>	<b>(18,012)</b>	<b>59,550</b>	<b>118,658</b>	<b>160,196</b>	<b>1,418,078</b>
<b>Cash flows from capital and related financing activities</b>					
Capital contributions	101,407	400,000	966,167	1,467,574	-
Proceeds from disposal of capital assets	4,325	-	-	4,325	38,255
Bond anticipation notes issued	-	-	15,322,000	15,322,000	-
Principal payments on long-term debt	-	(596,100)	(22,000)	(618,100)	(9,310)
Principal payment on bond anticipation note	-	-	(7,661,000)	(7,661,000)	-
Interest paid	-	(163,898)	(392,527)	(556,425)	(2,043)
Purchase of capital assets	(1,861,451)	(3,251,106)	(9,007,373)	(14,119,930)	(1,468,499)
<b>Net cash used by capital and related financing activities</b>	<b>(1,755,719)</b>	<b>(3,611,104)</b>	<b>(794,733)</b>	<b>(6,161,556)</b>	<b>(1,441,597)</b>
<b>Cash flows from investing activities</b>					
Investment income	41,963	178,289	250,236	470,488	-
<b>Net cash provided by investing activities</b>	<b>41,963</b>	<b>178,289</b>	<b>250,236</b>	<b>470,488</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents/investments</b>	<b>(1,361,527)</b>	<b>(2,375,616)</b>	<b>128,745</b>	<b>(3,608,398)</b>	<b>1,711,949</b>
<b>Cash and cash equivalents/investments</b>					
<b>Beginning of year</b>	<b>1,966,532</b>	<b>5,271,091</b>	<b>1,347</b>	<b>7,238,970</b>	<b>2,554,245</b>
<b>End of year</b>	<b>\$ 605,005</b>	<b>\$ 2,895,475</b>	<b>\$ 130,092</b>	<b>\$ 3,630,572</b>	<b>\$ 4,266,194</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>					
Operating income (loss)	\$ (415,751)	\$ 382,448	\$ 801,116	\$ 767,813	\$ 1,106,491
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	593,068	960,996	86,966	1,641,030	841,601
Change in assets and liabilities					
(Increase) decrease in receivables	392,035	71,788	(809,709)	(345,886)	(48,159)
(Increase) decrease in inventories	19,033	(31,702)	(94,278)	(106,947)	(28,942)
Increase (decrease) in accounts payable	(227,384)	(401,293)	570,339	(58,338)	(151,418)
Increase (decrease) in accrued vacation payable	9,240	12,837	-	22,077	15,895
Increase (decrease) in customer deposit	-	2,575	150	2,725	-
<b>Total adjustments</b>	<b>785,992</b>	<b>615,201</b>	<b>(246,532)</b>	<b>1,154,661</b>	<b>628,977</b>
<b>Net cash provided by operating activities</b>	<b>\$ 370,241</b>	<b>\$ 997,649</b>	<b>\$ 554,584</b>	<b>\$ 1,922,474</b>	<b>\$ 1,735,468</b>
<b>Noncash Investing, capital, and financing activities:</b>					
Borrowing under capital lease	-	-	-	-	72,513
Contributions of capital assets	-	-	-	-	6,900

# COUNTY OF MOORE, NORTH CAROLINA

## Statement of Fiduciary Net Assets Fiduciary Funds June 30, 2008

	<b>Agency Funds</b>
<b>Assets</b>	
Cash	\$ 869,123
Property taxes (net of allowance for uncollectible taxes of \$74,000)	291,732
Due from other governments and agencies	13,012
Total assets	<u>\$ 1,173,867</u>
<b>Liabilities</b>	
Miscellaneous liabilities	\$ 232,348
Intergovernmental payable - Towns	938,673
Intergovernmental payable - State of North Carolina	2,846
Total liabilities	<u>\$ 1,173,867</u>

**County of Moore, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended**  
**June 30, 2008**

**Note 1.**

**Summary of Significant Accounting Policies**

The accounting policies of Moore County and its discretely presented Component Units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

The County, which is governed by a five-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its Component Units, legally separate entities for which the County is financially accountable. One Component Unit of the County has no financial transactions or account balances; therefore, it does not appear in the financial statements. The blended Component Units, although they are legally separate entities, are, in substance, part of the County's operations. The three discretely presented component units below are reported in separate columns in the County's government-wide financial statements in order to emphasize that they are legally separate from the County.

**Discretely Presented Component Units:**

**Component Units – Governmental Fund Types**

**Convention and Visitors Bureau CVB**

The Convention and Visitors Bureau (CVB) is a public authority with the purpose of promoting the development of travel, tourism and conventions in the County, through state, national and international advertising and promotion. This special revenue fund type is funded by a local occupancy tax. The CVB is directed by a nine-member Board of Directors appointed by the County Commissioners. The CVB does not issue separate financial statements.

**Moore County Industrial Facility and Pollution Control Financing Authority**

Moore County Industrial Facility and Pollution Control Financing Authority (Authority) exists to issue and serve revenue bond debt of private businesses for economic development purposes. The Authority is governed by a seven-member Board, all of whom are appointed by the County Commissioners. The County can remove any member of the Board with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the government-wide financial Statements. The Authority does not issue separate Financial Statements.

The Component Units – Governmental Fund types are accounted for by the County. All accounting and other administrative functions are administered by the County. These Units are audited in conjunction with the County.

**Component Units – Proprietary Fund Types**

**Moore County ABC Board**

The members of the Moore County ABC Board (ABC Board) are appointed by the County Commissioners. The ABC Board is required by state statute to distribute its surpluses to the County and the various municipalities within the County.

**Moore County Airport Authority**

Moore County Airport Authority (Airport Authority) was established by the North Carolina General Assembly. The five members of the Airport Authority are appointed by the County Commissioners. The Airport Authority operates a facility owned by the County.

Complete Financial Statements for the ABC Board and the Airport Authority may be obtained at their respective administrative offices listed below.

Moore County ABC Board  
273 N. E. Broad Street  
Southern Pines, NC 28387

Moore County Airport Authority  
1761 Highway 22  
Southern Pines, NC 28387

#### **Blended Component Units:**

#### **Component Units – Proprietary Fund Types**

##### **East Moore Water District**

On December 18, 2000 the Moore County Board of Commissioners, by resolution, formed the East Moore Water District (EMWD) to provide municipal water services for a specified district in eastern Moore County. The Board of County Commissioners serves as the EMWD Board of Directors. The district does not issue separate financial statements.

##### **North West Moore Water District**

On July 21, 2003 the Moore County Board of Commissioners, by resolution, formed the North West Moore Water District (NWMWD) to provide municipal water services for specified districts in the northern and western areas of Moore County. The Board of County Commissioners serves as the NWMWD Board of Directors. On May 25, 2004, \$16,000,000 bonds were authorized, no bonds were issued as of June 30, 2008. The district does not issue separate financial statements nor did the district have any transactions for the year ended June 30, 2008.

#### **B. Basis of Presentation – Fund Accounting**

*Government-wide Statements:* The Statement of Net Assets and the Statement of Activities display information about the primary government (the County) and its Component Units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements:* The Fund Financial Statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary Fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The County reports the following major governmental funds:

**General Fund** – The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, sales taxes, Federal and State grants, and various other taxes and licenses. The primary expenditures are for public safety, planning, human services, cultural and recreational projects, education, and general government services.

**School/College Bond Project** – Accounts for the acquisition, construction and rehabilitation of facilities for Moore County Public Schools and Sandhills Community College.

The County reports the following non-major governmental funds:

**Emergency Medical Services Fund** – Accounts for emergency medical services development and operations costs funded by the advanced life support tax.

**Emergency Telephone Services Fund** – Accounts for the revenues and expenditures related to the County's emergency 911 telephone system.

**Grants Fund** – Accounts for the revenue sources and expenditures related to multi-year grants.

**Tobacco Trust Grant Fund** – Accounts for a special grant received from the State on behalf of Cooperative Extension to assist local farmers.

**Airport Project** – Accounts for the costs to rehabilitate and expand the Moore County Airport.

**Community Development Block Grant (CDBG) Project** – Accounts for grant proceeds and local matching funds for community revitalization, as well as water and sewer capital improvements.

**Moore County Transportation Services Fund (MCTS)** – Accounts for transportation of citizens and clients of county agencies funded by user fees, as well as federal and state grants.

**Hillcrest Park Project** – Accounts for the resources and costs associated with the development and construction of a centrally located County park.

**Senior Center Project** – Accounts for the resources and costs associated with the construction of a Senior Center.

**Social Services Facility Project** – Accounts for resources and costs associated with the purchase and renovation of a Social Services facility.

**County Buildings Project** – Accounts for resources and costs associated with the purchase and construction of a new Governmental Center, Public Safety Complex and Detention Center.

The County reports all of its enterprise funds as major:

**Wastewater Treatment Fund** – Accounts for the operation of the Moore County Water Pollution and Control Plant.

**Public Utilities Fund** – Accounts for the operation of the County's water distribution and sewer collection system.

**East Moore Water District Fund** - Accounts for the construction and operations of the East Moore Water District.

The County reports the following fund types:

**Internal Service Funds** – Internal Service Funds are used to account for operations that provide services to other departments or agencies for the government, on a cost-reimbursement basis. The County has

three Internal Service Funds: the Management Information Systems Fund, the Risk Management Fund and the Property Management Fund.

**Agency Funds** – Agency Funds are custodial in nature and do not involve the measurement of operating results. Agency Funds are used to account for assets the County holds on behalf of others. The County maintains four Agency Funds: the Social Services/Sheriff Account Fund, which accounts for monies deposited with the Department of Social Services for the benefit of certain individuals and an account for monies held for individuals involved in civil court cases; the Special Tax Districts Fund, which accounts for the collection and disbursement for special taxing districts and municipalities for which the County acts as agent (taxes for registered motor vehicles are also accounted for in this fund) and the three percent interest on the first of month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina of Motor Vehicles; the Cooperative Extension Agency Fund, which accounts for monies held on behalf of the Cooperative Extension Agency Fund; and, the Soil and Water Conservation District Fund, which accounts for monies held for the district.

### **C. Measurement Focus and Basis of Accounting**

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

*Government-wide, Proprietary, and Fiduciary Fund Financial Statements.* The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except agency funds which do not have a measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Moore County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in

the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2007 through February 2008 apply to the fiscal year ended June 30, 2008. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncement.

#### **D. Budgetary Information**

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the general, special revenue, enterprise, and internal service funds. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the Capital Project Funds and Grant Project Funds.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for the general, special revenue, enterprise and internal service funds, and the object level for the capital project funds. A function is a group of related activities aimed at accomplishing a major service, such as public safety; a department is a component of a function, such as sheriff and communications; an object is a component of a department, such as salaries. The County Manager is authorized by the budget ordinance to transfer amounts between objects of expenditures within a department without limitation and without a report being requested. The County Manager may also transfer appropriations within a fund up to \$50,000 with a monthly report on such transfers to the County Commissioners; however, any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$50,000 must be approved by the County Commissioners. During the year several amendments to the original budget became necessary, the effects of which were not material.

A budget calendar is included in the North Carolina General Statutes that prescribes the last day on which certain steps of the budget procedures are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed:

April 30	Each department head will transmit to the budget officer the departmental budget requests and revenue estimates for the budget year.
June 1	The budget and the budget message shall be submitted to the County Commissioners. The public hearing on the budget should be scheduled at this time.
July 1	The budget ordinance shall be adopted by the County Commissioners.

#### **E. Deposits and Investments**

All deposits of the County and its Component Units are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and its Component Units may designate, as an

official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and its Component Units may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30c] authorizes the County and its Component Units to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed Federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT). The securities of the NCCMT cash portfolio, a SEC-Registered (2a-7) money market mutual fund, are valued at fair value, which is NCCMT's share price.

#### **F. Cash and Cash Equivalents**

The County, Airport, and CVB pool monies from several funds to facilitate disbursement and investment and maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. ABC Board considers demand deposits and investments purchased with an original maturity of three months or less, that are not limited as to use, to be cash and cash equivalents.

#### **G. Restricted Assets**

The unexpended proceeds of the Jail Construction Fund Certificates of Participation, issued by the County, are classified as restricted investments for the General Fund because their use is completely restricted to the purpose for which the obligation was originally issued. The funds which total \$461,675 are invested in repurchase agreements, (see note 3 B) for Jail debt reserve.

The unexpended proceeds of the School/College Bond Project general obligation bonds are classified as restricted cash for the Capital Project Fund because their use is completely restricted to the purpose for which the bonds were originally issued. The funds which total is \$40,159,283 are invested in the North Carolina Capital Management Trust. The School/College Bond Project Fund also has \$1,670,241 of Public School Building Capital Fund classified as restricted cash because their use is completely restricted to public school construction projects. The funds are invested in a Branch Banking and Trust checking account.

There were also unexpended debt proceeds in the Capital Project Fund for the Social Services Facility project because the funds' use is restricted to the purpose for which the note was originally issued. The funds which total \$40,108 are invested in a Branch Banking and Trust checking account.

The Grants fund and the Tobacco Trust Grant Fund also have a cash balance of \$251,369 and \$86,140, respectively. They are classified as restricted because their use is restricted to the purpose for which the grants and contributions were originally awarded. The funds are invested in a Branch Banking and Trust checking account.

#### **H. Ad Valorem Taxes Receivable and Deferred Revenues**

In accordance with State law [G.S. 105-347 and 159-13(a)], the County levies ad valorem taxes, except for ad valorem taxes on certain vehicles, on July 1, the beginning of the fiscal year, and these taxes are due on September 1 (lien date); however, no interest or penalties are assessed until the following January 6. The taxes are based on the assessed values as of January 1, 2008. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

#### **I. Allowances for Doubtful Accounts**

The County and its Component Units provide credit, in the normal course of business to residents primarily located in Moore County, North Carolina. All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.



## **J. Inventory**

The inventories of the County and its Component Units are valued at the lower of cost or market, using the first-in, first-out (FIFO) method except for inventory in the General Fund which is valued at cost using the average cost method.

The CVB had no inventory as of June 30, 2008.

The inventories of the County, the ABC Board and the Airport Authority consist of materials and supplies held for consumption or resale. In each case the cost is recorded as an expense when the inventory is consumed or sold.

## **K. Capital Assets**

Minimum capitalization costs for the year ending June 30, 2008, were \$5,000 for all classes of assets. The County's purchased or constructed capital assets with an original cost of greater than \$5,000 are recorded at historical cost. Donated capital assets are listed at market value at the time of donation. General infrastructure assets acquired prior to July 1, 2002, consist of water and sewer system assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported at cost.

The County holds title to certain Moore County Board of Education properties which are not included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Board of Education.

Capital assets of the County and CVB are depreciated over their useful lives on a straight-line basis as follows:

Buildings	10 – 50 years
Water and sewer systems	10 – 50 years
Furniture and equipment	3 – 5 years
Vehicles	5 years

Capital assets of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

Buildings	17 – 20 years
Furniture/equipment	3 – 7 years
Vehicles	3 – 5 years
Leasehold improvements	5 – 40 years

All assets acquired prior to July 1, 1994 including buildings, hangars, runways, and other capital assets used by the Airport Authority are owned by the County of Moore. Non-grant equipment and furnishings acquired after July 1, 1994 are recorded by the Airport Authority at original cost at the time of acquisition. The Airport Authority's equipment and furnishings are depreciated using the straight-line method over a five-year period and a fifteen-year period for building improvements.

## **L. Long-term Debt**

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. In the fund financial statements for governmental fund types, the face amount of debt issued is reported as "other financing source."

#### **M. Compensated Absences**

The vacation policies of the County and its Component Units provide for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. If a County employee has more than thirty (30) days vacation accumulated at December 31, the excess amount above thirty (30) days is converted into sick leave and added to the employee's sick leave accumulation. For the County's government-wide and proprietary funds, and the ABC Board, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policies of the County and its Component Units provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since none of the entities has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County or its Component Units.

#### **N. Net Assets/Fund Balances**

##### **Net Assets**

Net assets in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

##### **Fund Balances**

In the governmental fund financial statements, reservations or restrictions of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

State law [G.S. 159-13(b)(16)] restricts the appropriation of fund balance to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts as these amounts stand at the close of the fiscal year preceding the budget year.

The Governmental Fund types classify fund balances as follows:

##### **Reserved**

**Reserved by state statute** – portion of fund balance, in addition to reserves for encumbrances and reserves for inventories, which is not available for appropriation under State law [G.S. 159-8(a)]. This amount is usually comprised of the accounts receivable and interfund receivables balances that are not offset by deferred revenues.

**Reserved for wireless 911 expenditures** – portion of fund balance available to pay for the acquisition and operation of wireless 911 services.

**Reserved for financing agreement compliance** – portion of fund balance available to pay principal and interest payments on certain financing agreements or assets that are otherwise restricted by financing agreements.

**Reserved for inventories** – portion of fund balance not available for appropriation because it represents the year-end fund balance of ending inventories, which are not expendable available resources.

**Reserved for grant agreement compliance** – portion of fund balance available to pay for goods or services restricted by the grant agreements.

**Reserved for education - lottery and ADM funds** – portion of fund balance available to pay for school construction from the Public School Building Capital Fund.

## **Unreserved**

**Designated for subsequent year's expenditures** – portion of total fund balance available for appropriation that has been designated for the adopted 2008-2009 budget ordinance.

**Unreserved, undesignated** – portion of total fund balance available for appropriation that is uncommitted at year-end.

### **O. Reconciliation of Government-wide and Fund Financial Statements**

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statements of net assets. The net adjustment of (\$37,616,651) consists of several elements as follows:

Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 46,978,202
Less accumulated depreciation	<u>(14,535,097)</u>
Net capital assets	32,443,105

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds

Deferred charges – bond issuance cost	338,888
Less amortization expense	(2,542)
Deferred revenues – uncollected property taxes	737,235
Accrued interest for taxes receivable	90,059
Deferred charges – refinancing costs	80,507
Less amortization expense	<u>(17,261)</u>
Total	1,226,886

Unearned bond premium reported as a liability in the government-wide statement and will be recognized as revenue in the fiscal year they are earned

Unearned bond premium	(382,255)
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Internal service funds are used by management to charge the costs of property management, management information services and risk management costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

Net assets of the internal service funds	6,438,079
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Accrued interest payable on long-term debt is not a current expenditure and therefore is not reflected in the funds

Accrued interest payable	(328,615)
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds

Bonds	\$ (65,200,000)
Certificates of participation	(830,000)
Notes payable	(8,736,520)
Compensated absences	(1,542,392)
LEO separation allowance	<u>(704,939)</u>

Total long-term liabilities	<u>(77,013,851)</u>
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Total adjustment	<u>\$ (37,616,651)</u>
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2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$(32,245,512).

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay expense exceeds depreciation expense

Capital outlay	\$ 5,817,539
Depreciation expense	(1,701,033)
Deletions of capital assets	(53,524)
Accumulated depreciation on deletions of capital assets	<u>53,524</u>

Total	4,116,506
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds

Accrued interest receivable	(11,994)
Deferred tax revenue	<u>(17,501)</u>

Total	(29,495)
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Accrued interest payable on long-term debt is not a current expenditure and therefore is not reflected in the funds

Accrued interest	(116,148)
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items

Bond premium	(385,144)
Amortization of bond premium	2,889
Bond issuance costs	<u>338,888</u>

Amortization of bond issuance costs	\$ (2,542)
New bonds & notes payable	(41,500,000)
Bonds principal payments	2,100,000
Notes payable principal payments	2,369,757
Increase in LEO separation allowance	(89,420)
Increase in compensated absences	(227,223)
Amortization of debt issuance costs	<u>(17,261)</u>
Total	(37,410,056)

Internal service funds are used by management to charge the costs of property management, management information services and risk management costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets

Change in net assets for all internal service funds	<u>1,193,681</u>
Total adjustment	<u>\$ (32,245,512)</u>

**Note 2.**  
**Stewardship, Compliance, and Accountability**

There were no operating deficits recorded in any of the County's funds in the fiscal year 2007-2008.

**Note 3.**  
**Deposits and Investments**

**A. Deposits**

All of the County's and its Component Units' deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage are collateralized with securities held by the County's and its Component Units' agents in these Units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the Treasurer is acting in a fiduciary capacity for the County and its Component Units, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, its Component Units or with the Escrow Agent. Because of the inability to measure the exact amount of collateral pledged for the County or its Component Units under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County and its Component Units rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County and its Component Units do not have policies regarding custodial credit risk for deposits.

**DEPOSITS**  
**June 30, 2008**

	<u>Petty Cash</u>	<u>Carrying Amount Including Fiduciary Funds</u>	<u>Bank Balance</u>	<u>Bank Balance Covered By Federal Depository Insurance</u>	<u>Interest Bearing Deposits Covered By Collateral Held Under Pooling Method</u>
County of Moore	\$ 3,075	\$ 19,002,792	20,157,138	\$ 100,000	\$ 20,057,138
CVB	500	259,140	259,140	-	259,140
Moore County ABC Board	2,300	1,202,133	1,160,550	200,000	960,550
Airport Authority	500	848,997	848,997	-	848,997
Total	<u>\$ 6,375</u>	<u>\$ 21,313,062</u>	<u>\$ 22,425,825</u>	<u>\$ 300,000</u>	<u>\$ 22,125,825</u>

**B. Investments**

As of June 30, 2008, the County had the following investments and maturities.

Investment Type	Fair Value	Less Than 6 Months	6-12 Months	1-2 Years	2-5 Years
Repurchase Agreements	\$ 461,675	\$ -	\$ -	\$ -	\$ 461,675
NC Capital Management Trust-Cash Portfolio	63,579,801	63,579,801	N/A	N/A	N/A
Total:	\$ 64,041,476	\$ 63,579,801	\$ -	\$ -	\$ 461,675

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the County holds at least ninety nine percent the County's investment portfolio to maturities of less than 6 months. Also, the County invests in purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than five years. The County does not have a formal investment policy.

*Credit Risk.* State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the County had no formal policy on managing credit risk. As of June 30, 2008, the County's investments in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2008.

At June 30, 2008, CVB, the ABC Board and the Airport Authority had investments in the North Carolina Cash Management Trust and First Bank Money Market Investment of \$0, \$0 and \$189,213, respectively, which carried a credit rating of AAAM by Standard and Poor's. The Airport Authority has no policy on credit risk.

**Note 4.**

**Receivables**

**A. Allowance for Doubtful Accounts**

For the County, the amounts shown for receivables in the Balance Sheet, are net of the following allowances for doubtful accounts:

<u>Funds</u>	<u>June 30, 2008</u>
General Fund, Property Taxes	\$ 171,000
Emergency Medical Service Fund, Property Taxes	14,000
Agency Fund, Property Taxes	<u>74,000</u>
Total	<u>\$ 259,000</u>

**B. Use-Value Assessment on Certain Lands**

In accordance with the General Statutes, agriculture, horticulture, and forest land may be taxed by the County at present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

## Use-Value Assessment on Certain Lands:

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 1,417,571	\$ 367,942	\$ 1,785,513
2006	1,482,492	251,950	1,734,442
2007	3,098,935	247,902	3,346,837
2008	<u>3,432,279</u>	-	<u>3,432,279</u>
Total	<u>\$ 9,431,277</u>	<u>\$ 867,794</u>	<u>\$10,299,071</u>

**Note 5.****Deferred Charges**

The amount showing as deferred charges on the Statement of Net Assets is the issuance costs of the debts refinanced in July 2004 and the bond issuance costs of the Local School and College Bond issued in May 2008, less accumulated amortization as follows:

	<u>Issuance Costs</u>
1996 Middle School Debt	\$ 45,232
1997 Middle School Debt	54,646
2001 Carriage Oak Debt (Renovation)	18,400
2001 Carriage Oak Debt (Purchase)	9,112
2001 Animal Shelter Debt	4,900
2008 Local School & College Bond	<u>338,888</u>
	471,178
Less accumulated amortization	<u>(71,586)</u>
Total:	<u>\$ 399,592</u>

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**Note 6.**  
**Capital Assets**

**A. Changes in Governmental Capital Assets**

Capital asset activity for the year ended June 30, 2008, was as follows:

	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 13,701,660	\$ 4,821,729	\$ -	\$ 18,523,389
Construction in progress	-	26,500	-	26,500
Total capital assets not being depreciated	13,701,660	4,848,229	-	18,549,889
Capital assets being depreciated:				
Buildings	31,967,250	750,122	-	32,717,372
Equipment	5,781,074	727,170	(18,643)	6,489,601
Vehicles	6,343,504	1,039,931	(180,905)	7,202,530
Total capital assets being depreciated	44,091,828	2,517,223	(199,548)	46,409,503
Less accumulated depreciation for:				
Buildings	(17,589,030)	(1,240,070)	-	(18,829,100)
Equipment	(4,322,299)	(468,892)	18,643	(4,772,548)
Vehicles	(3,925,314)	(833,672)	180,905	(4,578,081)
Total accumulated depreciation	(25,836,643)	\$ (2,542,634)	\$ 199,548	(28,179,729)
Total capital assets being depreciated, net	18,255,185			18,229,774
Governmental activity capital assets, net	\$ 31,956,845			\$ 36,779,663

Depreciation expense was charged to functions/programs of the governmental activities of the primary government as follows:

General government	\$ 483,247
Public safety	670,099
Environmental protection and community	
Development	101,994
Human services	439,966
Cultural and recreational	5,727
Capital assets held by certain internal service funds are charged to the various governmental functions based on the usage of the funds.	841,601
Total depreciation expense	\$ 2,542,634

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## B. Changes in Business-type Capital Assets

	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
Business-type activities:				
<u>Wastewater Fund</u>				
Capital assets not being depreciated:				
Land	\$ 349,815	\$ -	\$ -	\$ 349,815
Construction in progress	2,249,979	1,583,905	-	3,833,884
Total capital assets not being depreciated	2,599,794	1,583,905	-	4,183,699
Capital assets being depreciated:				
Wastewater treatment plant	9,475,621	-	-	9,475,621
Wastewater treatment lines	8,721,708	178,794	-	8,900,502
Equipment	755,901	92,061	(14,931)	833,031
Vehicle	38,350	6,691	-	45,041
Total capital assets being depreciated	18,991,580	277,546	(14,931)	19,254,195
Less accumulated depreciation for:				
Wastewater treatment plant	(9,341,069)	-	-	(9,341,069)
Wastewater treatment lines	(4,897,753)	(528,561)	-	(5,426,314)
Equipment	(583,926)	(58,365)	14,931	(627,360)
Vehicle	(24,444)	(6,142)	-	(30,586)
Total accumulated depreciation	(14,847,192)	\$ (593,068)	\$ 14,931	(15,425,329)
Total capital assets being depreciated, net	4,144,388			3,828,866
Wastewater fund capital assets, net	\$ 6,744,182			\$ 8,012,565

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	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
Business-type activities (continued):				
Public Utilities Fund				
Capital assets not being depreciated:				
Land	\$ 127,998	\$ -	\$ -	\$ 127,998
Construction in progress	777,203	2,242,869	-	3,020,072
Total capital assets not being depreciated	905,201	2,242,869	-	3,148,070
Capital assets being depreciated:				
Buildings	917,009	-	-	917,009
Water and sewer system	16,919,435	70,730	-	16,990,165
Equipment	820,256	467,972	-	1,288,228
Vehicles	459,367	469,535	-	928,902
Total capital assets being depreciated	19,116,067	1,008,237	-	20,124,304
Less accumulated depreciation for:				
Buildings	(513,603)	(61,594)	-	(575,197)
Water and sewer system	(5,779,636)	(710,305)	-	(6,489,941)
Equipment	(512,660)	(81,941)	-	(594,601)
Vehicles	(401,708)	(107,156)	-	(508,864)
Total accumulated depreciation	(7,207,607)	(960,996)	\$ -	(8,168,603)
Total capital assets being depreciated, net	11,908,460			11,955,701
Public Utilities fund capital assets, net	\$ 12,813,661			\$ 15,103,771
<u>East Moore Water District</u>				
Capital assets not being depreciated:				
Land	\$ 21,998	\$ -	\$ -	\$ 21,998
CIP	326,043	9,045,231	-	9,371,274
Total capital assets not being depreciated	348,041	-	-	9,393,272
Capital assets being depreciated:				
Buildings/Utilities	3,313,723	-	-	3,313,723
Total capital assets being depreciated	3,313,723	-	-	3,313,723
Less accumulated depreciation for:				
Buildings/Utilities	(400,066)	(86,966)	-	(487,032)
Total accumulated depreciation	(400,066)	(86,966)	\$ -	(487,032)
Total capital assets being depreciated, net	2,913,657			2,826,691
East Moore Water District fund capital assets, net	\$ 3,261,698			\$ 12,219,963
Business-type activities capital assets, net	\$ 22,819,541			\$ 35,336,299

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## C. Changes in Component Unit Capital Assets

	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
<b>Discretely presented component units:</b>				
<u>Convention and Visitors Bureau Fund</u>				
Capital assets being depreciated:				
Furniture, fixtures and equipment	\$ 59,669	\$ 7,562	\$ -	\$ 67,231
Total capital assets being depreciated	59,669	7,562	-	67,231
Less accumulated depreciation for:				
Furniture, fixtures and equipment	(59,370)	(300)	-	(59,670)
Total accumulated depreciation	(59,370)	\$ (300)	\$ -	(59,670)
Total capital assets being depreciated, net	299			7,561
Convention and Visitors Bureau Fund capital assets, net	\$ 299			\$ 7,561
<u>Airport Authority</u>				
Capital assets not being depreciated:				
Land	\$ 142,052	\$ -	\$ -	\$ 142,052
Total capital assets not being depreciated	142,052	-	-	142,052
Capital assets being depreciated:				
Buildings and improvements	157,058	2,963	-	160,021
Furniture, fixtures and equipment	172,135	-	-	172,135
Vehicles	45,969	-	-	45,969
Total capital assets being depreciated	375,162	2,963	-	378,125
Less accumulated depreciation for:				
Buildings and improvements	(40,430)	(8,585)	-	(49,015)
Furniture, fixtures and equipment	(112,100)	(20,947)	-	(133,047)
Vehicles	(32,885)	(4,347)	-	(37,232)
Total accumulated depreciation	(185,415)	\$ (33,879)	\$ -	(219,294)
Total capital assets being depreciated, net	189,747			158,831
Airport Authority capital assets, net	\$ 331,799			\$ 300,883
<u>ABC Board</u>				
Capital assets not being depreciated:				
Land	\$ 108,051	\$ -	\$ (17,300)	\$ 90,751
Total capital assets not being depreciated	108,051	-	(17,300)	90,751
Capital assets being depreciated:				
Buildings	728,514	-	(26,640)	701,874
Furniture, fixtures and equipment	178,933	-	(3,893)	175,040
Vehicles	46,705	-	-	46,705
Buildings and improvements	238,340	-	(58,548)	179,792
Total capital assets being depreciated	1,192,492	-	(89,081)	1,103,411
Less accumulated depreciation for:				
Buildings	(281,942)	-	11,803	(270,139)
Furniture, fixtures and equipment	(126,064)	(9,701)	-	(135,765)
Vehicles	(26,804)	(4,118)	-	(30,922)
Buildings and improvements	(142,077)	-	35,541	(106,536)
Total accumulated depreciation	(576,887)	\$ (13,819)	\$ 47,344	(543,362)
Total capital assets being depreciated, net	615,605			560,049
ABC Board capital assets, net	\$ 723,656			\$ 650,800
Discretely presented component units capital assets, net	\$ 1,055,754			\$ 959,244

**Note 7.****Pension Plan Obligations****A. Local Governmental Employees' Retirement System**

*Plan Description.* The County and all of its Component Units contribute to the Statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes Financial Statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

*Funding Policy.* Plan members are required to contribute six percent of their annual covered salary. The County and all of its Component Units are required to contribute at an actuarially determined rate. The contribution made by the County and its Component Units equaled the required contributions for each year. The following table lists the current rates required for the County and its Component Units.

	Actuarially Determined Rate 12/31/05	Contributions FY 2007-2008	Contributions FY 2006-2007	Contributions FY 2005-2006
Moore County		\$ 1,131,957	\$ 1,057,726	\$ 947,395
Non Law	4.92			
Law Enf.	4.86			
CVB	4.92	16,659	15,764	14,640
ABC	4.96	18,655	18,128	20,685
Airport	5.08	29,715	26,523	23,138

The contribution requirements of plan members, including Moore County and its Component Units are established and may be amended by the North Carolina General Assembly.

**B. Law Enforcement Officers' Special Separation Allowance****1. Plan Description**

Moore County and the ABC Board administer public employee retirement systems (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's and ABC Board's qualified sworn law enforcement officers. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time law enforcement officers are covered by the Separation Allowance. At December 31, 2007, the Separation Allowance's membership consisted of:

	<u>Moore County</u>	<u>ABC Board</u>
Retirees receiving benefits	6	1
Terminated plan members entitled to but not yet receiving benefits	-	-
Active plan members	<u>73</u>	<u>2</u>
Total	<u>79</u>	<u>1</u>

## 2. Summary of Significant Accounting Policies

**Basis of Accounting.** The County and the ABC Board have chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

**Method Used to Value Investments.** No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

## 3. Contributions

The County and the ABC Board are required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and have chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund. For the current year, the County and the ABC Board paid benefits of \$37,438 and \$8,409, respectively. There were no contributions made by employees. The County's and ABC Board's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly.

For Moore County, the annual required contribution for the current year was determined as part of the December 31, 2007 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.25% investment rate of return and (b) projected salary increases of 4.5% to 12.3% per year. Both (a) and (b) included an inflation component of 3.75%. The unfunded actuarial accrued liability is being amortized as a level percentage of pay on a closed basis. The remaining amortization period at December 31, 2007 was 23 years.

The ABC Board evaluated the impact of having an actuarial study done for the plan. It was determined the liability would be immaterial and would not justify the cost of the study.

**Annual Pension Cost and Net Pension Obligation.** The County's annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 120,056
Interest on net pension obligation	44,625
Adjustment to annual required contribution	<u>(37,823)</u>
Annual pension cost	126,858
Contributions made	<u>(37,438)</u>
Increase (decrease) in net pension obligation	89,420
Net pension obligation beginning of year	<u>615,519</u>
Net pension obligation end of year	<u>\$ 704,939</u>

### Three Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation End of Year</u>
6/30/06	\$98,892	26.81%	\$535,660
6/30/07	\$105,075	24.00%	\$615,519
6/30/08	\$126,858	29.51%	\$704,939

## C. Supplemental Retirement Income Plan for Law Enforcement Officers

**Plan Description.** The County and the ABC Board contribute to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County and the ABC Board. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State

of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

*Funding Policy.* Article 12E of G.S. Chapter 143 requires the County and the ABC Board to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. The County's contributions for the year ending June 30, 2008 were \$248,935, which consisted of \$166,978 from the County and \$81,957 from the law enforcement officers. The ABC Board's contributions for the year ended June 30, 2008 were \$0.

#### **D. Registers of Deeds' Supplemental Pension Fund**

*Plan Description.* Moore County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a non-contributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The fund provides supplemental pension benefits to any eligible County Register of Deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Registers of Deeds' Supplemental Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

*Funding Policy.* On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2008, the County's required and actual contributions were \$14,739.

#### **E. Supplemental Retirement Income Plan**

The County administers a supplemental retirement benefit plan for all of its full-time employees that are not involved in law enforcement, through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Effective January 1, 1991, the County began contributing to the plan an amount equal to 2.6 percent of each permanent full-time employee's salary each month. All contributed amounts plus investment earnings allocated to the employee's accounts are fully vested immediately. The County established the plan and may amend it at its discretion. The County contributions for the year ended June 30, 2008, for all permanent full-time employees, not involved in law enforcement, were \$499,979. Total voluntary contributions by covered employees were \$393,923. The County's contribution and employee's voluntary contributions represented 2.60 percent and 2.05 percent of the covered payroll, respectively.

According to a Board resolution, the ABC Board contributes 2.5% of a qualified employee's salary to a 401(k) profit sharing plan. Contributions charged to operations for the plan years ended June 30, 2008 and 2007 were \$9,286 and \$9,119, respectively.

#### **F. Other Post-employment Benefits**

According to a County resolution, the County provides health care benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least fifteen years of continuous service with the County. Currently 32 retirees are eligible for postretirement health benefits. Under minimum qualifications, the retiree pays 100% of the premium, currently \$659 per month. If the employee has 20 years of service with State retirement plan and the last 15 years are with Moore County, the retiree pays 50% of the premium. With 30 years of State retirement plan service, and the last 15 years with the County, the retiree pays 25% of the premium.

According to a Board resolution, the ABC Board provides postretirement health care benefits to retirees of the Board, provided they participate in the North Carolina Local Government Employees' Retirement System, were full-time employees hired before March 14, 1995 and have at least thirty years of creditable service to the retirement system. The ABC Board will pay the full cost of coverage for these benefits until the employee is eligible for Medicare. Upon eligibility, the Board will pay the cost of a supplemental medical policy indefinitely. Currently, 7 retirees are eligible for postretirement health benefit premiums. Postretirement health benefit premiums for the years ended June 30, 2008 and 2007, were \$31,931 and \$36,277, respectively. The Board obtains health care coverage through private insurers.

The Airport Authority and CVB do not provide any postretirement health care benefits to the retirees.

#### **G. Other Employment Benefits**

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the system, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the system at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 with a minimum of \$25,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. For the fiscal year ended June 30, 2008, the County made contributions to the State for death benefits of \$28,335. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.12% and 0.14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

#### **Note 8.**

#### **Summary Disclosure of Significant Contingencies and Commitments**

##### **A. Litigation**

The County is a defendant in various lawsuits, arising in the ordinary course of operations. Although the outcome of the various lawsuits is not presently determinable, it is the County's opinion, after discussion with legal counsel, that potential claims against the County, in excess of professional liability insurance coverage, resulting from such litigation will not materially affect the financial condition of the County. Accordingly, no provision has been made in the financial statements for such matters.

##### **B. Construction**

Moore County has active construction projects as of June 30, 2008. The projects include Moore County Scattered Site Housing, Addor Community Revitalization, school construction, Wastewater Treatment Plant Projects, Public Utilities' water and sewer projects, East Moore Water District projects and airport construction. At June 30, 2008, Moore County's commitments with contractors are as follows:

<u>Project</u>	<u>Remaining Commitment</u>
Moore County Scattered Site Housing	\$ 34,930
Addor Community Revitalization	\$ 103,900
School construction at Moore County School	\$ 3,714,918
School construction at Sandhills Community College (includes County, State and Foundation fundings)	\$ 1,204,960
Wastewater Treatment Plant Projects	\$ 115,350
Public Utilities Projects	\$ 695,033
East Moore Water District Projects	\$ 1,636,585
Airport construction	\$ 4,522,481

### C. Other

The County and its Component Units have elected to pay direct costs of employment securities benefits in lieu of employment security taxes on payroll. A liability for benefit payments could accrue in the year following discharge of employees.

The County has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grants. County management believes such disallowances, if any, would not be significant to the financial position or operations of the County. No provision has been made in the accompanying financial statements for the refund of grant monies.

### Note 9.

#### **Risk Management**

The Risk Management Fund, an Internal Service Fund, is a limited risk management program for employees' health insurance, life insurance, workers compensation and professional liability. Premiums are paid into the fund by all other funds and are available to pay claims and administrative costs of the program. During fiscal year 2008, a total of \$5,395,379 was incurred for hospitalization benefits, insurance premiums, administrative costs, and the wellness clinic costs. An excess coverage insurance policy covers annual health benefits in excess of \$80,000 per employee and aggregate annual health claims in excess of approximately \$5,900,0040. The excess coverage policy is limited to \$1,000,000 in annual benefits and to \$1,000,000 in individual lifetime benefits. Incurred but not reported health claims of \$399,422 have been accrued as a liability based upon an actuarial estimate. The estimate does not include non-incremental claims adjustment expenses. Interfund premiums are based primarily upon the insured funds' claims experience and are reported as interfund service transactions.

The following is a schedule of changes in the funds liabilities for fiscal years 1996 through 2008:

	Beginning Liability	Current-Year Claims and Changes Estimates	Claims Payments	Ending Liability
1995-1996	\$ 108,000	\$ 1,163,817	\$ (1,136,817)	\$ 135,000
1996-1997	135,000	1,240,939	(1,230,939)	145,000
1997-1998	145,000	1,317,270	(1,297,270)	165,000
1998-1999	165,000	1,630,781	(1,580,781)	215,000
1999-2000	215,000	2,205,078	(2,130,078)	290,000
2000-2001	290,000	2,042,700	(2,065,716)	266,984
2001-2002	266,984	2,454,015	(2,425,999)	295,000
2002-2003	295,000	2,332,283	(2,342,283)	285,000
2003-2004	285,000	3,146,505	(3,081,505)	350,000
2004-2005	350,000	3,622,924	(3,685,924)	287,000
2005-2006	287,000	3,553,945	(3,568,225)	272,720
2006-2007	272,720	4,843,601	(4,661,788)	454,533
2007-2008	454,533	3,812,828	(3,867,939)	399,422

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk financing pools administered by the North Carolina Association of County Commissioners.

Workers' Compensation: Pool retains \$750,000 of any occurrence, County Reinsurance Ltd (CRL) retains \$1,750,000 excess, Safety National excess of \$2,500,000 to statutory (unlimited)

Liability: Pool retains \$500,000 per occurrence with a \$500,000 aggregate, CRL retains \$1,500,000 excess.

Property: Pool retains \$250,000 of any occurrence with \$750,000 corridor, \$250,000 minimum wind deductible subject to 2% of covered claims. \$25,000,000 excess layer provided by Lexington Ins Co,



\$25,000,000 excess layer provided 10% CAN, 10% ACE 20% Axia, 60% Lloyds, \$50,000,000 excess layer (wind limit) 10% Lancashire, 20% Swiss Re, 5% Hanover Re, 5% ACE, 5% CAN 10% RSUI, 10% Ariel 35% Lloyds, \$150,000,000 excess layer 10% Lancashire, 45% Lloyds, 45% RSUI

The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request.

Flood coverage is included outside of Zones A and V up to an Annual Aggregate Limit of \$5,000,000 and subject to the member's deductible. Limited Flood Coverage (for Real and Personal Property and Business Interruption) for Zones A and V is included as follows: \$1,000,000 Annual Aggregate Limit as respects locations situated wholly or partially within Flood Zones A or V, coverage is excess of coverage provided by the National Flood Insurance Program (subject to minimum underlying retentions of \$500,000 each Building, \$500,000 each Personal Property location.) In addition to the underlying coverage or minimum deductible, the deductible for Flood within Zones A and V shall be 2% of the total values at the time of the loss at each location involved in the loss.

In accordance with G.S. 159-29, The County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance and tax collector are each individually bonded for \$250,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

#### **Note 10.**

##### **Accounts Payable**

Accounts payable at the government-wide level at June 30, 2008, were as follows:

	<b>Vendors</b>	<b>Salaries and Benefits</b>	<b>Other</b>	<b>Total</b>
Governmental Activities:				
General	\$ 1,165,812	\$ 500,449	\$ -	\$ 1,666,261
Non-major Governmental	342,230	81,912	-	424,142
Internal Service	212,831	34,268	399,422	646,521
Total-governmental activities	<u>\$ 1,720,873</u>	<u>\$ 616,629</u>	<u>\$ 399,422</u>	<u>\$ 2,736,924</u>
Business-type Activities				
Wastewater Treatment	\$ 42,372	\$ 17,728	\$ -	\$ 60,100
Public Utilities	257,468	39,134	37,025	333,627
East Moore Water District	641,902	-	6,120	648,022
Total - business-type activities	<u>\$ 941,742</u>	<u>\$ 56,862</u>	<u>\$ 43,145</u>	<u>\$ 1,041,749</u>

#### **Note 11.**

##### **Leases**

##### **Operating Leases**

The ABC Board is obligated under operating leases for its Aberdeen and Carthage stores as well as an alcohol law enforcement contract with Moore County. The Aberdeen store is a five-year lease that expires in October of 2010 with an option for renewal. The ABC Board also leases its Carthage store under a three-year lease that expires in April of 2009, with an option for renewal at the end of the lease term. Under its alcohol law enforcement contract with Moore County, the Board is obligated through June 2009 with an option for renewal.

Minimum rentals required on the operating leases for the ensuing years ending June 30 are as follows:

2009	\$ 205,979
2010	44,250
2011	14,750
2012	-
2013	-
Thereafter	-
Total Future Minimum Rentals	\$ <u>264,979</u>

Rent expense for the ABC Board was \$70,001 and \$65,243 for years ending June 30, 2008 and 2007, respectively. The ABC Board is responsible for utilities and insurance.

## Note 12.

### Long-term Liabilities

#### Moore County

##### A. Capital Leases

The County has entered into an agreement to lease a SAN (Storage Area Network). The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at present value of the future minimum lease payments as of the date of their inception.

The agreement was executed in March 2008 for the lease of a storage server and requires thirty-six monthly payments of \$2,206. Under the terms of the agreement, title passes to the County at the end of the lease term.

At June 30, 2008, the County leased equipment is valued at:

<u>Classes of Property</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computer equipment	\$ 80,014	\$ 6,576	\$ 73,438

For Moore County, the future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2008 were as follow:

<u>Year Ending June 30</u>	
2009	\$ 24,266
2010	26,472
2011	<u>17,648</u>
Total minimum lease payments	68,386
Less: amount representing interest	<u>5,182</u>
Present value of the minimum lease payments	<u>\$ 63,204</u>

##### B. General Obligation Bonds

All general obligation bonds serviced by the County's General Fund are collateralized by the full faith, credit, and taxing power of the County. In November 2007, the citizens of Moore County approved by referendum the issuance of general obligation bonds in the amount of \$69.5 million for Moore County Schools and Sandhills Community College's facility expansion, renovation and other capital improvements. In spring 2008, \$40 million of these bonds was issued and the remaining \$29.5 million are expected to be issued in spring 2009. The East Moore Water District and the North West Moore Water District have authorized but unissued general obligation bonds of \$6,542,000 and \$16,000,000, respectively, to provide funds for the acquisition and construction of major water system capital improvements. These bonds, will be recorded in the East Moore Water District Fund and North West Moore Water District, respectively, and collateralized by the full faith, credit, and taxing power of the Districts. Principal and interest payments are appropriated when due.

Bonds payable at June 30, 2008, are comprised of the following individual issues:

**General Obligation Bonds  
Served by the General Fund:**

\$25,000,000 – 1998 Public Improvement bonds due in annual principal installments of \$400,000 to \$1,700,000 through June 1, 2018, plus interest at 4.4% to 5.1%.	\$ 15,700,000
\$11,500,000 – 2003 Public Improvement bonds due in annual principal installments of \$400,000 to \$1,600,000 through June 1, 2021, plus interest at 3.0% to 5%	9,500,000
\$40,000,000 – 2008 Public Improvement bonds due in annual principal installments of \$750,000 to \$2,985,000 through June 1, 2028, plus interest at 3.25% to 4.75%	<u>40,000,000</u>
<b>Total General Obligation Bonds served by the General Fund</b>	<b><u>\$ 65,200,000</u></b>

**Served by the East Moore Water District Enterprise Fund:**

\$1,797,000 – 2003 USDA Bonds due in annual principal installments of \$19,500 to \$79,500 through June 1, 2042, plus interest at 4.5%.	\$ 1,714,500
\$7,661,000 – 2008 USDA Bonds Anticipation Note issued on April 1, 2008, matures on July 30, 2008, plus interest at 2.25%. The note will be repaid from a \$7,661,000 bond issue expected to be sold on July 28, 2008.	<u>7,661,000</u>
<b>Total General Obligation Bonds served by the EMWD Enterprise Fund</b>	<b><u>\$ 9,375,500</u></b>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	2,850,000	2,810,328	7,684,000	134,132	10,534,000	2,944,460
2010	2,850,000	2,681,931	24,000	76,117	2,874,000	2,758,048
2011	2,850,000	2,563,481	25,000	75,037	2,875,000	2,638,518
2012	3,470,000	2,445,031	26,500	73,912	3,496,500	2,518,943
2013	3,470,000	2,297,531	27,500	72,720	3,497,500	2,370,251
2014-2018	17,950,000	9,190,057	156,500	343,935	18,106,500	9,533,992
2019-2023	17,705,000	5,152,382	195,500	305,393	17,900,500	5,457,775
2024-2028	14,055,000	1,798,625	243,500	257,265	14,298,500	2,055,890
2029-2033	-	-	305,000	197,190	305,000	197,190
2034-2038	-	-	376,000	122,018	376,000	122,018
2039-2042	-	-	312,000	35,100	312,000	35,100
<b>Total</b>	<b>\$ 65,200,000</b>	<b>\$ 28,939,366</b>	<b>\$ 9,375,500</b>	<b>\$ 1,692,819</b>	<b>\$ 74,575,500</b>	<b>\$ 30,632,185</b>

**C. Certificates of Participation**

The County issued certificates of participation to provide funds for the acquisition and construction of a jail facility.

Serviced by the General Fund:

\$4,690,000 – 1994 Jail Certificates of Participation due in annual principal installments of \$230,000 to \$425,000 through February 1, 2010, plus interest at 3.3% to 5.25% \$ 830,000

Annual debt service requirements to maturity for certificates of participation are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2009	\$ 405,000	\$ 43,575
2010	<u>425,000</u>	<u>22,313</u>
Total	<u>\$ 830,000</u>	<u>\$ 65,888</u>

#### **D. Notes Payable**

Serviced by the General Fund:

\$8,500,000 – 1996 note payable to BB&T in semi-annual installments of \$373,966 through May 2011, including interest of 3.91% collateralized by a deed of trust on school facilities. \$ 2,097,931

\$9,900,000 – 1997 note payable to BB&T in semi-annual installments of \$484,897 through January 2011, including interest of 3.91%, collateralized by a deed of trust on school facilities. 2,720,244

\$450,000 – 1998 note payable to First Union National Bank in semi-annual installments of \$18,238 through December 2008, including interest at 5.87% collateralized by a deed of trust on Airport hangars 156,095

\$2,300,000 – 2001 note payable to BB&T in semi-annual principal payments of \$77,433 plus interest at 4.19% through June 2016, collateralized by a deed of trust on the social services facility. 1,238,933

\$1,139,000 – 2001 note payable to BB&T in semi-annual principal payments of \$38,346 plus interest at 4.19% through June 2016, collateralized by a deed of trust on the social services facility. 613,541

\$361,000 – 2001 note payable to BB&T in semi-annual principal payments of \$12,701.85 plus interest at 4.25% through February 2016, collateralized by a deed of trust on the social services facility. 203,230

\$700,000 – 2001 note payable to BB&T in semi-annual principal payments of \$35,350 plus interest at 3.93% through June 2011, collateralized by a deed of trust on the animal shelter facility. 212,100

\$160,128 – 2006 note payable to RBC Centura in monthly payments of \$2,935 plus interest at 3.8% through April 2011, collateralized by a deed of trust on the solid waste trucks. 94,446

\$1,500,000 – 2007 note payable to RBC Centura in monthly principal payments of \$12,500 plus interest at 3.9% through October 2017, collateralized by a deed of trust on the Grimm Land. 1,400,000

Total notes payable serviced by the General Fund \$ 8,736,520

Serviced by the Public Utilities Enterprise Fund:

\$5,900,000 – 1993 note to BB&T payable due in monthly installments ranging from \$37,294 to \$40,198, through January 2014 including interest ranging from 4.49% to 5.63%; collateralized by a deed of trust on the Pinehurst Water and Sewer System	\$ 2,198,897
\$1,550,000 – 1990 note payable to BB&T due in monthly installments of \$10,664, through December 2010 including interest at 4.57%; collateralized by a deed of trust on the Seven Lakes Water and Sewer System	301,302
\$900,000 – 1997 note payable to BB&T in monthly installments of \$8,373, through February 2010 including interest at 3.79% collateralized by a deed of trust on the Public Utilities administration building.	162,038
\$850,000 – 2002 note payable to Bank of America due in semi-annual installments of \$39,482, through October 2017 including interest of 4.58%; collateralized by a deed of trust on the water tower	<u>580,738</u>
Total notes payable serviced by the Public Utilities Enterprise Fund	<u>\$ 3,242,975</u>

Annual debt service requirements to maturity for notes payable are as follows:

Year Ending June 30	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	2,210,226	324,179	624,439	135,560	2,834,665	459,739
2010	2,116,346	237,972	619,256	107,249	2,735,602	345,221
2011	2,175,136	153,900	514,025	81,001	2,689,161	234,901
2012	406,964	85,678	472,470	59,085	879,434	144,763
2013	406,964	68,955	494,743	36,812	901,707	105,767
2014-2018	1,420,884	112,637	518,042	34,386	1,938,926	147,023
Total	<u>\$ 8,736,520</u>	<u>\$ 983,321</u>	<u>\$ 3,242,975</u>	<u>\$ 454,093</u>	<u>\$ 11,979,495</u>	<u>\$ 1,437,414</u>

**E. Conduit Debt Obligations**

Moore County Industrial Facility and Pollution Control Financing Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as by letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2008, there was one series of industrial revenue bonds outstanding, with an aggregate principle amount payable of \$5,350,000.

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## F. Changes in Long-term Liabilities

The following is a summary of changes in the County's long-term debt for the year ended June 30, 2008.

By Type	Balances June 30, 2007	Additions	Retirements	Balances June 30, 2008	Current Portion
<b>Governmental Activities:</b>					
General obligation bonds	\$ 27,300,000	\$ 40,000,000	\$ 2,100,000	\$ 65,200,000	\$ 2,850,000
Certificates of participation	1,215,000	-	385,000	830,000	405,000
Notes payable	9,221,277	1,500,000	1,984,757	8,736,520	2,210,226
Capital lease payable	-	72,513	9,309	63,204	21,317
Accrued vacation benefits	1,404,374	1,346,452	1,103,334	1,647,492	850,000
Net pension obligation	615,519	89,420	-	704,939	-
Total governmental activities	39,756,170	43,008,385	5,582,400	77,182,155	6,336,543
<b>Business-Type Activities:</b>					
General obligation bonds	1,736,500	7,661,000	22,000	9,375,500	7,684,000
Notes payable	3,839,075	-	596,100	3,242,975	624,439
Accrued vacation benefits	102,901	108,067	85,990	124,978	50,000
Total business-type activities	5,678,476	7,769,067	704,090	12,743,453	8,358,439
Total long-term liabilities	\$ 45,434,646	\$ 50,777,452	\$ 6,286,490	\$ 89,925,608	\$ 14,694,982

Governmental accrued vacation benefits and the net pension obligation typically have been liquidated in the General Fund.

At June 30, 2008, the County had a legal debt margin of \$792,093,404.

At June 30, 2008, the County had bonds authorized, but unissued of \$29,500,000.

At June 30, 2008, the East Moore Water District had bonds authorized, but unissued of \$6,542,000.

At June 30, 2008, the North West Moore Water District had bonds authorized, but unissued of \$16,000,000.

### CVB

CVB had long-term debt as of June 30, 2008 of \$27,507, which was accrued vacation benefits.

### ABC Board

The ABC Board had no long-term debt as of June 30, 2008.

### Airport Authority

The Airport Authority had long-term debt as of June 30, 2008 of \$27,026, which was accrued vacation benefits.

The total interest expenditure/expense for the County and all its Component Units during the year ended June 30, 2008 totaled \$1,994,601.

### Note 13.

#### InterFund Balances and Activity

The composition of interfund balances and Activities as of June 30, 2008 is as follows:

a. Due to/from other Funds:

<u>Receivable Fund</u>	<u>Payable</u>	<u>Reason</u>	<u>Amount</u>
General Fund	Property Management Fund	Operating/Capital expenses	\$1,495,000

b. Transfers between funds as of June 30, 2008 is as follows:

<u>Incoming Fund</u>	<u>Outgoing Fund</u>	<u>Reason</u>	<u>Amount</u>
Airport Capital Projects Fund	General Fund	Local match	\$91,566
Social Services Facility Project Fund	General Fund – DSS	Capital expenses	\$22,000
County Building Capital Project Fund	General Fund	Capital expenses	\$1,822,848
CDBG Capital Project Fund	General Fund	Local match	\$120,000
Public Utilities Fund	General Fund	Operating expenses	\$26,114
Grants Fund	General Fund	Multi-year grant	\$350,065
Grants Fund	General Fund – DSS	Multi-year grant	\$39,892
Grants Fund	General Fund – Health	Multi-year grant	\$12,581
Self-Insurance Service Fund	General Fund	Operating expenses	\$15,605
Property Management Fund	General Fund	Capital expenses	\$28,473
General Fund	Emergency Telephone Services Fund	Local Wireless 911 remaining fund balance	\$101,704

**Note 14.**

**Deferred/Unearned Revenues**

The balance in deferred revenues in the Fund Financial Statements and unearned revenue in the government-wide Financial Statements at year-end is composed of the following elements:

	<u>Deferred Revenue</u>	<u>Unearned Revenue</u>
Prepaid licenses not yet earned (General)	\$ 279,196	\$ 279,196
Prepaid licenses not yet earned (Special Revenue)	13,387	13,387
Grant proceeds not yet earned (Special Revenue)	86,140	86,140
Bond premium not yet earned (Capital Project)	-	382,255
Taxes receivable, net (General)	683,309	-
Taxes receivable, net (Special Revenue)	53,926	-
Total	<u>\$ 1,115,958</u>	<u>\$ 760,978</u>
Rental revenue not yet earned (Component Units)	<u>\$ -</u>	<u>\$ 19,620</u>

**Note 15.**

**Related Organizations**

The County Board of Commissioners organized and appointed the original members of the Board of the Moore Parks Foundation, Incorporated. The Corporation is a nonprofit organization which exists to raise funds to build a county-wide park for County residents. It is funded primarily with private donations. Until November 2002, the County provided resources to support the Corporation's fund-raising and financial activities.

The County Board of Commissioners organized and appointed the original members of the Board of the Moore Resources for Seniors Foundation, Incorporated. The Corporation is a nonprofit organization which exists to raise funds to build a Senior Center for County residents. It is funded primarily with private donations. The County provided resources to support the Corporation's fund-raising and financial activities.

**Note 16.**

**Joint Ventures**

The County, in conjunction with the State of North Carolina and the Moore County Board of Education, participates in a joint venture to operate Sandhills Community College. Each of the three participants appoints four members of the twelve-member Board of Trustees of the Community College. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition to providing annual appropriations for facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. Of the general obligation bonds issued for this purpose, \$16,311,480 in debt is still outstanding. The County has an ongoing financial responsibility for the Community College because of the statutory responsibility to provide funding for the Community College's facilities. The County contributed \$3,972,735 and \$50,000 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2008. In addition, the County made debt service payments of \$988,566 during the fiscal year on general obligation bonds issued for Community College capital facilities. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2008. Complete financial statements may be obtained from the Community College's Administrative Offices at 3395 Airport Road, Pinehurst, NC 28374.

The County entered into two agreements with the Moore County Airport Authority (also a component unit) during the fiscal year. The first is a Management Agreement that defines the relationship between the County as the owner of the property and the Authority as manager of the fixed-based operations and the airport itself. The agreement also detailed the financial arrangement between the two entities and responsibilities for incurring debt. The County and the Airport Authority have a financial relationship in that there is an agreement for the County to provide financial services (accounts payable, purchase orders, payroll, etc.) on behalf of the Airport Authority. The Airport Authority pays the County \$20,000 annually for this service.

The County, along with seven municipalities (Aberdeen, Carthage, Pinebluff, Pinehurst, Robbins, Southern Pines and Whispering Pines), Moore County Schools and 2 non-incorporated communities adopted a Cooperative Purchasing Agreement to consolidate purchases resulting in lower costs of goods. A shared services website was also created and hosted by the Village of Pinehurst as a means of communications between the jurisdictions to share best practices and to coordinate purchasing efforts.

**Note 17.**

**Jointly Governed Organization**

The County participates in the operations of the Sandhills Regional Library System (Library) with four other local governments. The Library is governed by a fifteen-member Board of Trustees. Each participating government appoints three Board members to the Board of Trustees. None of the participating governments have an equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2008. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$8,220 to the Library to supplement its activities. Complete financial statements for the Library may be obtained from the Library's offices at 219 E. Washington Street, PO Box 790, Rockingham, NC 28379-0790.

The County also participates in the Sandhills Center for Mental Health (Center) with seven other local governments. The Center is governed by a twenty-six member Area Board. A County Commissioner from each participating government sits on the Board, with the exception of Randolph County which has two Commissioner participants. The remaining seventeen members are allocated based on population in each county. The County Commissioners in each county then appoint these remaining members that are



allotted to their county. None of the participating governments have an equity interest in the Center, so no equity interest has been reflected in the financial statements of June 30, 2008. The County appropriated \$587,265 to the Center to supplement its activities. Complete financial statements for the center may be obtained from the Center's offices at 1120 Seven Lakes Drive, PO Box 9, West End, NC 27376.

**Note 18.**

**Related Party Transactions**

The County's utility enterprise and Sheriff's Department/Detention Center entered into annual software maintenance contracts with a local software company. The company's Chief Executive Officer is a member of the County's governing board. The contract was entered into prior to the board member taking office in December 2006. The total amount of the contracts for fiscal year 2007-2008 was \$17,002.

**Note 19.**

**Benefit Payments Issued by the State**

The State, on behalf of the County, paid the amounts below directly to individual recipients from Federal and State monies. Moore County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. These amounts, which disclose the additional aid to county recipients, do not appear in the basic financial statements because they are not revenues and expenditures of the County.

	<u>Federal</u>	<u>State</u>
Temporary Assistance to Needy Families (TANF)	\$ 469,722	\$ -
Energy Assistance Payments	131,656	-
CWS Adoption Assistance	-	105,235
IV-E Adopt	207,343	57,904
Medicaid	43,565,147	22,527,669
Supplemental Food Program for Women, Infants and Children	1,614,484	-
Food Stamp Program	7,082,397	-
SC/SA Domiciliary Care Payments	-	863,211

**Note 20.**

**Subsequent Events**

On July 17, 2008, the County's governing Board of Commissioners adopted a resolution for the issuance by East Moore Water District of the District's \$4,992,000 General Obligation Water Bond, Series 2008A, and its \$2,669,000 General Obligation Water Bond, Series 2008B. On July 28, 2008, the District issued the Bonds to provide funds to continue the financing of the acquisition and construction of certain water system improvements through the refunding of the District's \$7,661,000 General Obligation Water Bond Anticipation Notes, Series 2008.

On June 2, 2008, the Board of Commissioners adopted the Fiscal Policy Guidelines to be effective July 1<sup>st</sup>, 2008. This fiscal policy will influence and guide the financial management practice of Moore County. The Fiscal Policy Guidelines includes the Capital Improvement Budget Policies, Debt Policies, Reserve Policies, Budget Development Policies, Cash Management/Investment Policies and Enterprise Funds Policy.

**Required Supplemental Financial Data**  
**Law Enforcement Officers' Special Separation Allowance**

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (b-a)/c)
12/31/1999	-	291,593	291,593	-	1,781,675	16.4
12/31/2000*	-	507,637	507,637	-	1,876,161	27.1
12/31/2001	-	585,356	585,356	-	1,996,112	29.3
12/31/2002	-	660,860	660,860	-	1,883,181	35.1
12/31/2003	-	738,128	738,128	-	2,203,993	33.5
12/31/2004	-	769,304	769,304	-	2,249,890	34.2
12/31/2005	-	814,541	814,541	-	2,533,561	32.2
12/31/2006	-	970,507	970,507	-	3,075,645	31.6
12/31/2007	-	1,061,779	1,061,779	-	3,286,053	32.3

\* For the December 31, 2000 valuation date, several actuarial assumptions were revised. These revisions were due to an experience investigation prepared as of December 31, 1999 for the North Carolina Local Government Retirement System. Projected salary increases were increased from a range of 4.4%-8.5% to a range of 5.9%-9.8%. The remaining amortization period was also increased from 20 to 30 years. These changes in assumptions caused an increase in the cost of the Separation Allowance for Law Enforcement Officers.

**Required Supplemental Financial Data**  
**Law Enforcement Officer's Special Separation Allowance**

**Schedule of Employer Contributions**

<u>Year Ended</u> <u>June 30</u>	<u>Annual Required</u> <u>Contributions</u>	<u>Percentage</u> <u>Contributed</u>
1999	36,012	0
2000	40,470	16
2001	48,644	13
2002	64,986	10
2003	73,004	34
2004	76,932	32
2005	88,915	27
2006	91,913	28
2007	98,296	26
2008	120,056	31

**Notes to the Required Schedules:**

The information presented in the required supplementary schedules was determined as a part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2007
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	23 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	7.25%
Projected salary increases*	4.5 – 12.3%
*Includes inflation at	3.75%

# COUNTY OF MOORE, NORTH CAROLINA

## General Fund Balance Sheet June 30, 2008

### Assets

Cash	\$ 6,214,142
Investments	20,309,972
Receivables:	
Property taxes (net of allowance for uncollectible taxes of \$171,000 at June 30, 2008)	683,309
Returned checks	13,771
Due from other governments and agencies	7,563,922
Due from other funds	1,495,000
Inventories	3,954
Restricted cash and investments	461,675
Total assets	<u>\$ 36,745,745</u>

### Liabilities and fund balances

Liabilities:	
Accounts payable and accrued liabilities	\$ 1,666,261
Deferred revenues:	
Advance payments of taxes and licenses	279,196
Uncollected property taxes	683,309
Total liabilities	<u>2,628,766</u>

### Fund balances:

Reserved for:	
State statute	9,072,693
Financing agreement compliance	461,675
Inventories	3,954
Unreserved, designated for:	
General Fund's Capital Reserve Fund - Subsequent year's expenditures	2,000,000
General Fund's Tax Revaluation Fund - Subsequent year's expenditures	100,000
Unreserved, undesignated	<u>22,478,657</u>
Total fund balances	<u>34,116,979</u>

Total liabilities and fund balances	<u>\$ 36,745,745</u>
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COUNTY OF MOORE, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2008

	2008		Variance
	Budget	Actual	Positive (Negative)
<b>Revenues:</b>			
Property taxes:			
Current year	\$ 47,134,545	\$ 49,052,630	\$ 1,918,085
Prior years	250,000	223,871	(26,129)
Penalties and interest	300,000	248,947	(51,053)
Total property taxes	47,684,545	49,525,448	1,840,903
Sales taxes:			
Medicaid Hold Harmless	238,000	211,504	(26,496)
Local option sales tax	6,056,458	7,430,278	1,373,820
One-half cent local option sales tax	9,108,970	11,286,124	2,177,154
Total sales taxes	15,403,428	18,927,906	3,524,478
Other taxes and licenses:			
Privilege licenses	55,000	57,987	2,987
Total other taxes and licenses	55,000	57,987	2,987
Unrestricted intergovernmental revenues:			
Video franchise tax	40,000	82,362	42,362
ABC funds	278,300	292,910	14,610
Total unrestricted intergovernmental revenues	318,300	375,272	56,972
Restricted intergovernmental revenues:			
Social services	6,942,613	6,474,464	(468,149)
Public health	2,311,366	2,448,180	136,814
Youth services	204,928	200,696	(4,232)
Older adults	814,847	832,978	18,131
Veterans services	2,000	2,000	-
Child support enforcement	677,589	730,132	52,543
Education	143,238	143,238	-
Public safety	526,218	540,541	14,323
Court facility fees	300,000	353,482	53,482
Community development	25,000	25,000	-
Other	48,130	41,980	(6,150)
Total restricted intergovernmental revenues	11,995,929	11,792,691	(203,238)
Investment income	1,225,500	1,937,276	711,776
Miscellaneous:			
Chamber Refund	1,100	1,100	-
Charges for services			
Register of deeds fees	2,275,000	1,992,393	(282,607)
Code enforcement fees	430,000	490,445	60,445
Fire inspection fees	78,000	18,975	(59,025)
Zoning/ord fees	7,000	6,346	(654)
GIS fees	7,000	8,299	1,299
Aerator Rental	225	950	725
Election fees	42,479	45,288	2,809
Aging fitness fees	7,262	15,660	8,398
Landfill fees	1,120,000	1,528,098	408,098
Law enforcement fees	350,000	458,121	108,121
Recreation fees	164,700	163,401	(1,299)
Office service fees	88,000	(6,882)	(94,882)
Tax collection fees	320,000	354,590	34,590

COUNTY OF MOORE, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2008

	2008		Variance
	Budget	Actual	Positive (Negative)
Cost reimbursement fees	\$ 56,927	\$ 57,342	\$ 415
Cell tower service fees	1,000	11,100	10,100
Total user fees	4,947,593	5,144,126	196,533
Donations	95,063	108,052	12,989
Payments from component units:			
ABC profit distribution	321,500	363,367	41,867
Airport Authority	56,000	56,477	477
Total payments from component units	377,500	419,844	42,344
Total revenues	82,103,958	88,289,702	6,185,744
<b>Expenditures:</b>			
General government:			
Governing body	268,550	243,538	25,012
Administration	543,934	466,439	77,495
General fund assessment	(232,500)	(232,500)	-
Human resources	244,021	238,281	5,740
Financial services	634,463	633,816	647
Legal	638,337	609,017	29,320
Tax	1,857,974	1,772,087	85,887
Revaluation	555,830	332,063	223,767
Elections	581,347	545,737	35,610
Register of deeds	1,710,965	1,481,491	229,474
Total general government	6,802,921	6,089,969	712,952
Public safety:			
Sheriff	6,576,406	6,370,151	206,255
Jail	2,927,373	2,908,383	18,990
Day reporting center	107,303	104,865	2,438
Youth Services	88,228	76,579	11,649
Emergency management/E911	1,280,281	1,180,041	100,240
Total public safety	10,979,591	10,640,019	339,572
Environmental protection and community development:			
Waste disposal	1,864,555	1,769,642	94,913
Planning	1,283,217	1,153,801	129,416
GIS	261,639	184,972	76,667
Cooperative extension service	370,143	328,639	41,504
Soil and water conservation	237,398	223,642	13,756
Total environmental protection and community development	4,016,952	3,660,696	356,256
Human services:			
Health	5,163,891	4,739,038	424,853
Social services	14,468,579	13,143,171	1,325,408
Child support enforcement	620,587	613,798	6,789
Veteran's services	191,316	190,760	556
Older adults	1,520,796	1,467,711	53,085
Total human services	21,965,169	20,154,478	1,810,691

(Continued on following page)

COUNTY OF MOORE, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2008

	2008		Variance
	Budget	Actual	Positive (Negative)
Cultural and recreational:			
Library	\$ 540,351	\$ 516,207	\$ 24,144
Recreation and youth development	663,006	559,389	103,617
Total cultural and recreational	1,203,357	1,075,596	127,761
Education:			
Moore County Schools:			
Current	23,694,245	23,694,245	-
Capital outlay	1,531,444	1,531,444	-
	25,225,689	25,225,689	-
Sandhills Community College:			
Current	3,972,735	3,972,735	-
Capital outlay	50,000	50,000	-
	4,022,735	4,022,735	-
Total education	29,248,424	29,248,424	-
Grants - other	1,417,402	1,359,234	58,168
Capital outlay	628,742	423,475	205,267
Debt service:			
Principal	4,469,763	4,469,757	6
Interest	1,683,470	1,681,327	2,143
Total debt service	6,153,233	6,151,084	2,149
Total expenditures	82,415,791	78,802,975	3,612,816
Excess (deficiency) of revenues over (under) expenditures	(311,833)	9,486,727	9,798,560
Other financing sources (uses):			
Transfers to other funds:			
Capital Project Funds	(2,064,848)	(2,056,414)	8,434
Internal Service Funds	(44,078)	(44,078)	-
Grants Fund	(402,538)	(402,538)	-
Enterprise Funds	(26,114)	(26,114)	-
Total	(2,537,578)	(2,529,144)	8,434
Transfers from other funds:			
Special Revenue Funds	-	101,704	101,704
Total	-	101,704	101,704
Installment purchase obligation issued	1,500,000	1,500,000	-
Total other financing sources (uses)	(1,037,578)	(927,440)	110,138
Fund balance appropriated	1,349,411	-	(1,349,411)
Net change in fund balance	\$ -	\$ 8,559,287	\$ 8,559,287
Fund balance - beginning		25,557,692	
Fund balance - ending		\$ 34,116,979	

COUNTY OF MOORE, NORTH CAROLINA

SCHOOL/COLLEGE BOND CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

From Inception and for the Fiscal Year Ended June 30, 2008

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental revenues					
NC Rural Center grant	\$ 202,933	\$ 202,933	\$ -	\$ 202,933	\$ -
Public school building					
Capital fund	1,800,000	-	1,800,000	1,800,000	-
Public school building					
Capital fund - lottery	591,370	-	591,370	591,370	-
Investment income	3,199,962	3,086,542	160,828	3,247,370	47,408
Sales tax refunds	500,000	555,456	17,526	572,982	72,982
Total revenues	<u>6,294,265</u>	<u>3,844,931</u>	<u>2,569,724</u>	<u>6,414,655</u>	<u>120,390</u>
<b>Expenditures:</b>					
Bonds issuance costs	252,332	-	338,888	338,888	(86,556)
Capital outlay:					
College projects	27,000,000	11,252,200	344,557	11,596,757	15,403,243
School projects	<u>82,541,933</u>	<u>25,407,142</u>	<u>2,207,840</u>	<u>27,614,982</u>	<u>54,926,951</u>
Total expenditures	<u>109,794,265</u>	<u>36,659,342</u>	<u>2,891,285</u>	<u>39,550,627</u>	<u>70,243,638</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(103,500,000)</u>	<u>(32,814,411)</u>	<u>(321,561)</u>	<u>(33,135,972)</u>	<u>70,364,028</u>
<b>Other financing sources (uses):</b>					
Bonds	106,000,000	36,500,000	40,000,000	76,500,000	(29,500,000)
Bonds premium	-	-	385,144	385,144	385,144
Transfer to general fund	<u>(2,500,000)</u>	<u>(2,500,000)</u>	<u>-</u>	<u>(2,500,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>103,500,000</u>	<u>34,000,000</u>	<u>40,385,144</u>	<u>74,385,144</u>	<u>(29,114,856)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,185,589</u>	<u>40,063,583</u>	<u>\$ 41,249,172</u>	<u>\$ 41,249,172</u>
Fund balance - beginning			<u>1,185,589</u>		
Fund balance - ending			<u>\$ 41,249,172</u>		



# COUNTY OF MOORE, NORTH CAROLINA

## Combining Balance Sheet Nonmajor Governmental Funds June 30, 2008

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash	\$ 4,501,090	\$ 580,423	\$ 5,081,513
Receivables:			
Property taxes	53,926	-	53,926
Accounts receivable	496,861	10,000	506,861
Due from other governments and agencies	-	360,782	360,782
Restricted cash and investments	337,509	40,108	377,617
Total assets	<u>\$ 5,389,386</u>	<u>\$ 991,313</u>	<u>\$ 6,380,699</u>
<b>Liabilities and fund balances</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 152,728	\$ 271,414	\$ 424,142
Deferred revenues:			
Advance payments of taxes and licenses	13,387	-	13,387
Unearned grant proceeds	86,140	-	86,140
Uncollected property taxes	53,926	-	53,926
Accounts payable from restricted assets	2,510	-	2,510
Total liabilities	<u>308,691</u>	<u>271,414</u>	<u>580,105</u>
Fund balances:			
Reserved for:			
State statute	496,861	370,782	867,643
Wireless 911 expenditures	936,356	-	936,356
Financing agreement compliance	-	40,108	40,108
Grant agreement compliance	248,859	-	248,859
Unreserved, designated for:			
Special Revenue Funds - Subsequent year's expenditures	520,937	-	520,937
Unreserved, undesignated	2,877,682	309,009	3,186,691
Total fund balances	<u>5,080,695</u>	<u>719,899</u>	<u>5,800,594</u>
Total liabilities and fund balances	<u>\$ 5,389,386</u>	<u>\$ 991,313</u>	<u>\$ 6,380,699</u>

# COUNTY OF MOORE, NORTH CAROLINA

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Fiscal Year Ended June 30, 2008

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property taxes	\$ 3,350,236	\$ -	\$ 3,350,236
Other taxes and licenses	216,833	-	216,833
Restricted intergovernmental revenues	1,415,615	3,240,893	4,656,508
Charges for services	2,962,419	-	2,962,419
Investment income	-	202	202
Donations	460	-	460
Total revenues	<u>7,945,563</u>	<u>3,241,095</u>	<u>11,186,658</u>
<b>Expenditures</b>			
Current:			
Public safety	4,812,889	-	4,812,889
Environmental protection and community development	15,410	-	15,410
Human services	1,018,941	-	1,018,941
Capital outlay	773,346	4,933,293	5,706,639
Total expenditures	<u>6,620,586</u>	<u>4,933,293</u>	<u>11,553,879</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>1,324,977</u>	<u>(1,692,198)</u>	<u>(367,221)</u>
<b>Other financing sources (uses)</b>			
Transfers from other funds	402,538	2,056,414	2,458,952
Transfers to other funds	(101,704)	-	(101,704)
Proceeds from sale of capital assets	3,700	-	3,700
Total other financing sources (uses)	<u>304,534</u>	<u>2,056,414</u>	<u>2,360,948</u>
<b>Net change in fund balances</b>	1,629,511	364,216	1,993,727
<b>Fund balance - beginning</b>	<u>3,451,184</u>	<u>355,683</u>	<u>3,806,867</u>
<b>Fund balance - ending</b>	<u><u>\$ 5,080,695</u></u>	<u><u>\$ 719,899</u></u>	<u><u>\$ 5,800,594</u></u>

**COUNTY OF MOORE, NORTH CAROLINA**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2008**

	<b>Emergency Medical Services Fund</b>	<b>Emergency Telephone Services Fund</b>	<b>Grants Fund</b>	<b>Tobacco Trust Grant Fund</b>	<b>Moore County Transportation Services Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Assets</b>						
Cash	\$ 3,692,410	\$ 624,752	\$ -	\$ -	\$ 183,928	\$ 4,501,090
Receivables:						
Property taxes (net of allowance for uncollectible taxes of \$14,000 at June 30, 2008)	53,926	-	-	-	-	53,926
Accounts receivable	217,840	126,184	-	-	152,837	496,861
Restricted cash and investments	-	-	251,369	86,140	-	337,509
<b>Total assets</b>	<b>\$ 3,964,176</b>	<b>\$ 750,936</b>	<b>\$ 251,369</b>	<b>\$ 86,140</b>	<b>\$ 336,765</b>	<b>\$ 5,389,386</b>
<b>Liabilities and fund balances</b>						
<b>Liabilities:</b>						
Accounts payable and accrued liabilities	\$ 129,547	\$ 7,901	\$ -	\$ -	\$ 15,280	\$ 152,728
Deferred revenues:						
Advance payments of taxes and licenses	13,387	-	-	-	-	13,387
Unearned grant proceeds	-	-	-	86,140	-	86,140
Uncollected property taxes	53,926	-	-	-	-	53,926
Accounts payable from restricted assets	-	-	2,510	-	-	2,510
<b>Total liabilities</b>	<b>196,860</b>	<b>7,901</b>	<b>2,510</b>	<b>86,140</b>	<b>15,280</b>	<b>308,691</b>
<b>Fund balances:</b>						
Reserved for:						
State statute	217,840	126,184	-	-	152,837	496,861
Wireless 911 expenditures	-	936,356	-	-	-	936,356
Grant agreement compliance	-	-	248,859	-	-	248,859
Unreserved, designated for:						
Special Revenue Funds - Subsequent year's expenditures	520,937	-	-	-	-	520,937
Unreserved, undesignated (deficit)	3,028,539	(319,505)	-	-	168,648	2,877,682
<b>Total fund balances</b>	<b>3,767,316</b>	<b>743,035</b>	<b>248,859</b>	<b>-</b>	<b>321,485</b>	<b>5,080,695</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,964,176</b>	<b>\$ 750,936</b>	<b>\$ 251,369</b>	<b>\$ 86,140</b>	<b>\$ 336,765</b>	<b>\$ 5,389,386</b>

**COUNTY OF MOORE, NORTH CAROLINA**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008**

	<b>Emergency Medical Services Fund</b>	<b>Emergency Telephone Services Fund</b>	<b>Grants Fund</b>	<b>Tobacco Trust Grant Fund</b>	<b>Moore County Transportation Services Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Revenues</b>						
Property taxes	\$ 3,350,236	\$ -	\$ -	\$ -	\$ -	\$ 3,350,236
Other taxes and licenses	-	216,833	-	-	-	216,833
Restricted intergovernmental revenues	209,261	415,596	71,102	15,410	704,246	1,415,615
Charges for services	2,276,615	-	-	-	685,804	2,962,419
Donations	400	-	-	-	60	460
Total revenues	<u>5,836,512</u>	<u>632,429</u>	<u>71,102</u>	<u>15,410</u>	<u>1,390,110</u>	<u>7,945,563</u>
<b>Expenditures</b>						
Current:						
Public safety	4,400,063	383,392	29,434	-	-	4,812,889
Environmental protection	-	-	-	15,410	-	15,410
Human services	-	-	41,117	-	977,824	1,018,941
Capital outlay	59,975	164,098	154,230	-	395,043	773,346
Total expenditures	<u>4,460,038</u>	<u>547,490</u>	<u>224,781</u>	<u>15,410</u>	<u>1,372,867</u>	<u>6,620,586</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>1,376,474</u>	<u>84,939</u>	<u>(153,679)</u>	<u>-</u>	<u>17,243</u>	<u>1,324,977</u>
<b>Other financing sources (uses)</b>						
Transfers from other funds	-	-	402,538	-	-	402,538
Transfers to other funds	-	(101,704)	-	-	-	(101,704)
Proceeds from sale of capital assets	-	-	-	-	3,700	3,700
Total other financing sources (uses)	<u>-</u>	<u>(101,704)</u>	<u>402,538</u>	<u>-</u>	<u>3,700</u>	<u>304,534</u>
<b>Net change in fund balances</b>	<u>1,376,474</u>	<u>(16,765)</u>	<u>248,859</u>	<u>-</u>	<u>20,943</u>	<u>1,629,511</u>
<b>Fund balance - beginning</b>	<u>2,390,842</u>	<u>759,800</u>	<u>-</u>	<u>-</u>	<u>300,542</u>	<u>3,451,184</u>
<b>Fund balance - ending</b>	<u>\$ 3,767,316</u>	<u>\$ 743,035</u>	<u>\$ 248,859</u>	<u>\$ -</u>	<u>\$ 321,485</u>	<u>\$ 5,080,695</u>

COUNTY OF MOORE, NORTH CAROLINA

SPECIAL REVENUE FUND  
EMERGENCY MEDICAL SERVICES

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2008

	2008		Variance
	Budget	Actual	Positive (Negative)
<b>Revenues:</b>			
Property taxes	\$ 3,124,562	\$ 3,350,236	\$ 225,674
Charges for services	1,445,000	2,276,615	831,615
Donations	400	400	-
Restricted intergovernmental revenues	-	209,261	209,261
Total revenues	<u>4,569,962</u>	<u>5,836,512</u>	<u>1,266,550</u>
<b>Expenditures:</b>			
Current operating:			
Public safety	4,498,070	4,400,063	98,007
Capital outlay	142,119	59,975	82,144
Total expenditures	<u>4,640,189</u>	<u>4,460,038</u>	<u>180,151</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(70,227)</u>	<u>1,376,474</u>	<u>1,446,701</u>
<b>Fund balance appropriated</b>	<u>70,227</u>	<u>-</u>	<u>(70,227)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,376,474</u>	<u>\$ 1,376,474</u>
Fund balance - beginning		<u>2,390,842</u>	
Fund balance - ending		<u>\$ 3,767,316</u>	

COUNTY OF MOORE, NORTH CAROLINA

SPECIAL REVENUE FUND  
EMERGENCY TELEPHONE SERVICES

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2008

	2008		Variance
	Budget	Actual	Positive (Negative)
<b>Revenues:</b>			
Other fees:			
911 system subscriber fees	\$ 440,450	\$ 216,833	\$ (223,617)
Restricted intergovernmental:			
Wireless 911 funds	150,000	415,596	265,596
Total revenues	<u>590,450</u>	<u>632,429</u>	<u>41,979</u>
<b>Expenditures:</b>			
Public safety:			
Wireless 911	115,185	115,185	-
911 system subscriber fees	320,900	268,207	52,693
Total public safety	<u>436,085</u>	<u>383,392</u>	<u>52,693</u>
Capital outlay:			
Wireless 911	28,525	28,525	-
911 system subscriber fees	431,475	135,573	295,902
Total capital outlay	<u>460,000</u>	<u>164,098</u>	<u>295,902</u>
Total expenditures	<u>896,085</u>	<u>547,490</u>	<u>348,595</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(305,635)</u>	<u>84,939</u>	<u>390,574</u>
<b>Other financing uses:</b>			
Transfer to general fund	-	(101,704)	(101,704)
Total other financing uses:	<u>-</u>	<u>(101,704)</u>	<u>(101,704)</u>
<b>Fund balance appropriated</b>	<u>305,635</u>	<u>-</u>	<u>(305,635)</u>
Net change in fund balance	<u>\$ -</u>	<u>(16,765)</u>	<u>\$ (16,765)</u>
Fund balance - beginning		<u>759,800</u>	
Fund balance - ending		<u>\$ 743,035</u>	

COUNTY OF MOORE, NORTH CAROLINA

GRANTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

From Inception and for the Fiscal Year Ended June 30, 2008

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental revenues	\$ 3,000	\$ -	\$ 71,102	\$ 71,102	\$ 68,102
<b>Expenditures:</b>					
Public safety	72,171	-	29,434	29,434	42,737
Human services	60,316	-	41,117	41,117	19,199
Capital outlay	273,051	-	154,230	154,230	118,821
Total expenditures	405,538	-	224,781	224,781	180,757
Excess (deficiency) of revenues over (under) expenditures	(402,538)	-	(153,679)	(153,679)	248,859
<b>Other financing sources:</b>					
Transfer from general fund	402,538	-	402,538	402,538	-
Total revenues	402,538	-	402,538	402,538	-
Net change in fund balance	\$ -	\$ -	248,859	\$ 248,859	\$ 248,859
Fund balance - beginning			-		
Fund balance - ending			\$ 248,859		

COUNTY OF MOORE, NORTH CAROLINA

TOBACCO TRUST GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

From Inception and for the Fiscal Year Ended June 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Restricted intergovernmental revenues	\$ 203,100	\$ -	\$ 15,410	\$ 15,410	\$ (187,690)
<b>Expenditures:</b>					
Environmental protection	203,100	-	15,410	15,410	187,690
Total expenditures	<u>203,100</u>	<u>-</u>	<u>15,410</u>	<u>15,410</u>	<u>187,690</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning			-		
Fund balance - ending			<u>\$ -</u>		



COUNTY OF MOORE, NORTH CAROLINA

SPECIAL REVENUE FUND  
MOORE COUNTY TRANSPORTATION SERVICES

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2008

	2008		Variance
	Budget	Actual	Positive (Negative)
<b>Revenues:</b>			
Restricted intergovernmental revenues	\$ 708,670	\$ 704,246	\$ (4,424)
Charges for services	585,135	685,804	100,669
Donations	-	60	60
Total revenues	<u>1,293,805</u>	<u>1,390,110</u>	<u>96,305</u>
<b>Expenditures:</b>			
Current operating:			
Human services	1,062,631	977,824	84,807
Capital outlay	<u>395,118</u>	<u>395,043</u>	<u>75</u>
Total expenditures	<u>1,457,749</u>	<u>1,372,867</u>	<u>84,882</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(163,944)</u>	<u>17,243</u>	<u>181,187</u>
<b>Other financing sources:</b>			
Proceeds from sale of capital assets	<u>3,700</u>	<u>3,700</u>	<u>-</u>
Total other financing sources	<u>3,700</u>	<u>3,700</u>	<u>-</u>
<b>Fund balance appropriated:</b>	<u>160,244</u>	<u>-</u>	<u>(160,244)</u>
Net change in fund balance	<u>\$ -</u>	<u>20,943</u>	<u>\$ 20,943</u>
Fund balance - beginning		<u>300,542</u>	
Fund balance - ending		<u>\$ 321,485</u>	

**COUNTY OF MOORE, NORTH CAROLINA**

**Combining Balance Sheet  
Nonmajor Capital Project Funds  
June 30, 2008**

	<b>Airport Project</b>	<b>CDBG Project</b>	<b>Hillcrest Park Project</b>	<b>Senior Center Project</b>	<b>Social Services Facility Project</b>	<b>County Buildings Project</b>	<b>Total Nonmajor Capital Project Funds</b>
<b>Assets</b>							
Cash	\$ 162,647	\$ 110,000	\$ -	\$ 3,225	\$ 22,000	\$ 282,551	\$ 580,423
Due from other governments and agencies	337,161	-	-	23,621	-	-	360,782
Accounts receivable	-	10,000	-	-	-	-	10,000
Restricted cash and investments	-	-	-	-	40,108	-	40,108
Total assets	<u>\$ 499,808</u>	<u>\$ 120,000</u>	<u>\$ -</u>	<u>\$ 26,846</u>	<u>\$ 62,108</u>	<u>\$ 282,551</u>	<u>\$ 991,313</u>
<b>Liabilities and fund balances</b>							
<b>Liabilities:</b>							
Accounts payable and accrued liabilities	\$ 253,640	\$ -	\$ -	\$ 9,674	\$ -	\$ 8,100	\$ 271,414
Total liabilities	<u>253,640</u>	<u>-</u>	<u>-</u>	<u>9,674</u>	<u>-</u>	<u>8,100</u>	<u>271,414</u>
<b>Fund balances:</b>							
Reserved for:							
State statute	337,161	10,000	-	23,621	-	-	370,782
Financing agreement compliance	-	-	-	-	40,108	-	40,108
Unreserved, undesignated (deficit)	(90,993)	110,000	-	(6,449)	22,000	274,451	309,009
Total fund balances	<u>246,168</u>	<u>120,000</u>	<u>-</u>	<u>17,172</u>	<u>62,108</u>	<u>274,451</u>	<u>719,899</u>
Total liabilities and fund balances	<u>\$ 499,808</u>	<u>\$ 120,000</u>	<u>\$ -</u>	<u>\$ 26,846</u>	<u>\$ 62,108</u>	<u>\$ 282,551</u>	<u>\$ 991,313</u>

# COUNTY OF MOORE, NORTH CAROLINA

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Project Funds For the Fiscal Year Ended June 30, 2008

	Airport Project	CDBG Project	Hillcrest Park Project	Senior Center Project	Social Services Facility Project	County Buildings Project	Total Nonmajor Capital Project Funds
<b>Revenues</b>							
Restricted intergovernmental revenues	\$ 3,196,149	\$ 44,744	\$ -	\$ -	\$ -	\$ -	\$ 3,240,893
Investment income	-	-	-	-	202	-	202
Total revenues	<u>3,196,149</u>	<u>44,744</u>	<u>-</u>	<u>-</u>	<u>202</u>	<u>-</u>	<u>3,241,095</u>
<b>Expenditures</b>							
Capital outlay	3,236,153	44,744	181	61,649	33,069	1,557,497	4,933,293
Total expenditures	<u>3,236,153</u>	<u>44,744</u>	<u>181</u>	<u>61,649</u>	<u>33,069</u>	<u>1,557,497</u>	<u>4,933,293</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,004)</u>	<u>-</u>	<u>(181)</u>	<u>(61,649)</u>	<u>(32,867)</u>	<u>(1,557,497)</u>	<u>(1,692,198)</u>
<b>Other financing sources</b>							
Transfers from other funds	91,566	120,000	-	-	22,000	1,822,848	2,056,414
Total other financing sources	<u>91,566</u>	<u>120,000</u>	<u>-</u>	<u>-</u>	<u>22,000</u>	<u>1,822,848</u>	<u>2,056,414</u>
Net change in fund balances	<u>51,562</u>	<u>120,000</u>	<u>(181)</u>	<u>(61,649)</u>	<u>(10,867)</u>	<u>265,351</u>	<u>364,216</u>
Fund balance - beginning	<u>194,606</u>	<u>-</u>	<u>181</u>	<u>78,821</u>	<u>72,975</u>	<u>9,100</u>	<u>355,683</u>
Fund balance - ending	<u>\$ 246,168</u>	<u>\$ 120,000</u>	<u>\$ -</u>	<u>\$ 17,172</u>	<u>\$ 62,108</u>	<u>\$ 274,451</u>	<u>\$ 719,899</u>

COUNTY OF MOORE, NORTH CAROLINA

AIRPORT CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

From Inception and for the Fiscal Year Ended June 30, 2008

		Actual				Variance
	Project Authorization	Prior Years	Current Year	Closed Projects	Total	Positive Negative
<b>Revenues:</b>						
Restricted intergovernmental revenues	\$ 10,933,651	\$ 5,644,336	\$ 3,196,149	\$ 5,111,321	\$ 3,729,164	\$ (7,204,487)
Investment income	-	58,844	-	58,844	-	-
Other revenues	80,277	79,767	-	-	79,767	(510)
Total revenues	11,013,928	5,782,947	3,196,149	5,170,165	3,808,931	(7,204,997)
<b>Expenditures:</b>						
Capital outlay	11,382,685	6,072,170	3,236,153	5,439,182	3,869,141	7,513,544
Total expenditures	11,382,685	6,072,170	3,236,153	5,439,182	3,869,141	7,513,544
Excess (deficiency) of revenues over (under) expenditures	(368,757)	(289,223)	(40,004)	(269,017)	(60,210)	308,547
<b>Other financing sources (uses):</b>						
Transfers from other funds	368,757	483,829	91,566	269,017	306,378	(62,379)
Total other financing sources (uses)	368,757	483,829	91,566	269,017	306,378	(62,379)
Net change in fund balance	\$ -	\$ 194,606	51,562	\$ -	\$ 246,168	\$ 246,168
Fund balance - beginning			194,606			
Fund balance - ending			\$ 246,168			

COUNTY OF MOORE, NORTH CAROLINA

CDBG CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

From Inception and for the Fiscal Year Ended June 30, 2008

	Project Authorization	Prior Years	Actual Current Year	Closed Projects	Total	Variance Positive (Negative)
<b>Revenues:</b>						
Restricted intergovernmental revenues:						
Moore County Housing	\$ -	\$ 400,000	\$ -	\$ 400,000	\$ -	\$ -
Scattered Site 2006	400,000	1,470	18,040	-	19,510	(380,490)
Addor Community Revitalization	590,000	-	26,704	-	26,704	(563,296)
Total revenues	<u>990,000</u>	<u>401,470</u>	<u>44,744</u>	<u>400,000</u>	<u>46,214</u>	<u>(943,786)</u>
<b>Expenditures:</b>						
Capital outlay:						
Moore County Housing	-	400,000	-	400,000	-	-
Scattered Site 2006	400,000	1,470	18,040	-	19,510	380,490
Addor Community Revitalization	710,000	-	26,704	-	26,704	683,296
Total expenditures	<u>1,110,000</u>	<u>401,470</u>	<u>44,744</u>	<u>400,000</u>	<u>46,214</u>	<u>1,063,786</u>
Deficiency of revenues under expenditures	<u>(120,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,007,572)</u>
<b>Other financing sources:</b>						
Transfers from other funds:	120,000	-	120,000	-	120,000	-
Total other financing sources	<u>120,000</u>	<u>-</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>120,000</u>	<u>\$ -</u>	<u>\$ 120,000</u>	<u>\$ 120,000</u>
Fund balance - beginning			-			
Fund balance - ending			<u>\$ 120,000</u>			

COUNTY OF MOORE, NORTH CAROLINA

HILLCREST PARK CAPITAL PROJECT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

From Inception and for the Fiscal Year Ended June 30, 2008

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental revenues	\$ 291,913	\$ 291,913	\$ -	\$ 291,913	\$ -
Donations	618,141	618,141	-	618,141	-
Investment income	61,470	61,470	-	61,470	-
Total revenues	<u>971,524</u>	<u>971,524</u>	<u>-</u>	<u>971,524</u>	<u>-</u>
<b>Expenditures:</b>					
Capital outlay	<u>1,226,383</u>	<u>1,226,202</u>	<u>181</u>	<u>1,226,383</u>	<u>-</u>
Total expenditures	<u>1,226,383</u>	<u>1,226,202</u>	<u>181</u>	<u>1,226,383</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(254,859)</u>	<u>(254,678)</u>	<u>(181)</u>	<u>(254,859)</u>	<u>-</u>
<b>Other financing sources:</b>					
Transfers from other funds	<u>254,859</u>	<u>254,859</u>	<u>-</u>	<u>254,859</u>	<u>-</u>
Total other financing sources	<u>254,859</u>	<u>254,859</u>	<u>-</u>	<u>254,859</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 181</u>	<u>(181)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning			<u>181</u>		
Fund balance - ending			<u>\$ -</u>		

COUNTY OF MOORE, NORTH CAROLINA

SENIOR CENTER CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

From Inception and for the Fiscal Year Ended June 30, 2008

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental revenues	\$ 1,100,000	\$ 1,100,000	\$ -	\$ 1,100,000	\$ -
Donations	76,438	76,438	-	76,438	-
First Health Lease	20,000	20,000	-	20,000	-
Sales Tax Refund	23,621	23,621	-	23,621	-
Investment income	3,499	3,499	-	3,499	-
Total revenues	<u>1,223,558</u>	<u>1,223,558</u>	<u>-</u>	<u>1,223,558</u>	<u>-</u>
<b>Expenditures:</b>					
Capital outlay	1,708,546	1,629,725	61,649	1,691,374	17,172
Total expenditures	<u>1,708,546</u>	<u>1,629,725</u>	<u>61,649</u>	<u>1,691,374</u>	<u>17,172</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(484,988)</u>	<u>(406,167)</u>	<u>(61,649)</u>	<u>(467,816)</u>	<u>17,172</u>
<b>Other financing sources:</b>					
Transfer from other funds	484,988	484,988	-	484,988	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 78,821</u>	<u>\$ (61,649)</u>	<u>\$ 17,172</u>	<u>\$ 17,172</u>
Fund balance - beginning			<u>78,821</u>		
Fund balance - ending			<u>\$ 17,172</u>		

COUNTY OF MOORE, NORTH CAROLINA

SOCIAL SERVICES FACILITY CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

From Inception and for the Fiscal Year Ended June 30, 2008

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
<b>Revenues:</b>					
Investment income	\$ 22,704	\$ 22,682	\$ 202	\$ 22,884	\$ 180
Total revenues	<u>22,704</u>	<u>22,682</u>	<u>202</u>	<u>22,884</u>	<u>180</u>
<b>Expenditures:</b>					
Capital outlay	2,360,332	2,265,335	33,069	2,298,404	61,928
Total expenditures	<u>2,360,332</u>	<u>2,265,335</u>	<u>33,069</u>	<u>2,298,404</u>	<u>61,928</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,337,628)</u>	<u>(2,242,653)</u>	<u>(32,867)</u>	<u>(2,275,520)</u>	<u>62,108</u>
<b>Other financing sources:</b>					
Transfers from other funds	2,337,628	2,315,628	22,000	2,337,628	-
Total other financing sources	<u>2,337,628</u>	<u>2,315,628</u>	<u>22,000</u>	<u>2,337,628</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 72,975</u>	<u>(10,867)</u>	<u>\$ 62,108</u>	<u>\$ 62,108</u>
Fund balance - beginning			<u>72,975</u>		
Fund balance - ending			<u>\$ 62,108</u>		



COUNTY OF MOORE, NORTH CAROLINA

COUNTY BUILDINGS CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

From Inception and for the Fiscal Year Ended June 30, 2008

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
<b>Expenditures:</b>					
Capital outlay	\$ 1,859,848	\$ 27,900	\$ 1,557,497	\$ 1,585,397	\$ 274,451
Total expenditures	<u>1,859,848</u>	<u>27,900</u>	<u>1,557,497</u>	<u>1,585,397</u>	<u>274,451</u>
<b>Other financing sources:</b>					
Transfer from General Fund	1,859,848	37,000	1,822,848	1,859,848	(37,000)
Total revenues	<u>1,859,848</u>	<u>37,000</u>	<u>1,822,848</u>	<u>1,859,848</u>	<u>(37,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 9,100</u>	265,351	<u>\$ 274,451</u>	<u>\$ 274,451</u>
Fund balance - beginning			9,100		
Fund balance - ending			<u>\$ 274,451</u>		

COUNTY OF MOORE, NORTH CAROLINA

ENTERPRISE FUND  
WASTEWATER TREATMENT  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
<b>Operating revenues:</b>			
Charges for services	\$ 2,506,421	\$ 2,192,397	\$ (314,024)
<b>Nonoperating revenues:</b>			
Gain on disposal of capital assets	-	4,325	4,325
Investment income	-	41,963	41,963
Restricted intergovernmental revenues	-	101,407	101,407
Sales tax refund	-	11,988	11,988
Total nonoperating revenues	-	159,683	159,683
<b>Net assets appropriated</b>	1,803,432	-	(1,803,432)
Total revenues	<u>\$ 4,309,853</u>	<u>\$ 2,352,080</u>	<u>\$ (1,957,773)</u>
<b>Operating expenditures:</b>			
Salaries and fringe benefits	\$ 1,151,272	\$ 1,103,616	\$ 47,656
Operational expenditures	795,016	755,196	39,820
Professional services	75,000	73,775	1,225
Repairs and maintenance	140,560	69,671	70,889
Total operating expenditures	<u>2,161,848</u>	<u>2,002,258</u>	<u>159,590</u>
<b>Budgetary appropriations:</b>			
Capital outlay	2,148,005	1,862,180	285,825
Total other expenditures	<u>2,148,005</u>	<u>1,862,180</u>	<u>285,825</u>
Total expenditures	<u>\$ 4,309,853</u>	<u>\$ 3,864,438</u>	<u>\$ 445,415</u>
<b>Reconciliation of modified accrual basis to full accrual basis:</b>			
Total revenues - modified accrual basis		\$ 2,352,080	
Total expenditures - modified accrual basis		<u>3,864,438</u>	
Excess (deficiency) of revenues over (under) expenditures		(1,512,358)	
<b>Adjustments to full accrual basis:</b>			
Depreciation		(593,068)	
Increase in accrued payroll		(2,853)	
Increase in accrued vacation pay		(9,240)	
Capital outlay		1,862,180	
Less amounts not capitalized		<u>(729)</u>	
Change in Net Assets		<u>\$ (256,068)</u>	

COUNTY OF MOORE, NORTH CAROLINA

ENTERPRISE FUND  
PUBLIC UTILITIES  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
<b>Operating revenues:</b>			
Charges for services	\$ 8,100,396	\$ 6,670,147	\$ (1,430,249)
<b>Nonoperating revenues:</b>			
Sales tax refund	-	33,436	33,436
Investment income	-	178,289	178,289
Restricted intergovernmental revenues	-	400,000	400,000
Total nonoperating revenues	-	611,725	611,725
<b>Transfer from General Fund:</b>	26,114	26,114	-
<b>Net assets appropriated</b>	3,593,125	-	(3,593,125)
<b>Total revenues</b>	<u>\$ 11,719,635</u>	<u>\$ 7,307,986</u>	<u>\$ (4,411,649)</u>
<b>Operating expenditures:</b>			
Salaries and fringe benefits	\$ 2,219,291	\$ 1,920,463	\$ 298,828
Operational expenditures	3,130,801	2,854,126	276,675
Professional services	34,080	11,452	22,628
Repairs and maintenance	852,478	474,887	377,591
Total operating expenditures	6,236,650	5,260,928	975,722
<b>Nonoperating expenditures:</b>			
Interest expense	514,228	163,898	350,330
<b>Budgetary appropriations:</b>			
Principal payments on long-term debt	614,201	596,100	18,101
Capital outlay	4,354,556	3,294,118	1,060,438
Total other expenditures	4,968,757	3,890,218	1,078,539
<b>Total expenditures</b>	<u>\$ 11,719,635</u>	<u>\$ 9,315,044</u>	<u>\$ 2,404,591</u>
<b>Reconciliation of modified accrual basis to full accrual basis:</b>			
Total revenues - modified accrual basis		\$ 7,307,986	
Total expenditures - modified accrual basis		9,315,044	
Excess (deficiency) of revenues over (under) expenditures		(2,007,058)	
<b>Adjustments to full accrual basis:</b>			
Depreciation		(960,996)	
Principal payments on long-term debt		596,100	
Increase in accrued payroll		(9,926)	
Increase in accrued vacation pay		(12,837)	
Decrease in debt interest accrued		1,825	
Capital outlay		3,294,118	
Less amounts not capitalized		(43,012)	
<b>Change in Net Assets</b>		<u>\$ 858,214</u>	

COUNTY OF MOORE, NORTH CAROLINA

EAST MOORE WATER DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
<b>Operating revenues:</b>			
Charges for services	\$ 1,774,129	\$ 1,641,337	\$ (132,792)
<b>Nonoperating revenues:</b>			
Sales tax refund	-	128,658	128,658
Investment income	184,921	250,236	65,315
Restricted intergovernmental revenues	2,711,000	966,167	(1,744,833)
Total nonoperating revenues	2,895,921	1,345,061	(1,550,860)
<b>Bonds issued</b>	15,322,000	15,322,000	-
Total revenues	<u>\$ 19,992,050</u>	<u>\$ 18,308,398</u>	<u>\$ (1,683,652)</u>
<b>Operating expenditures:</b>			
Operational expenditures	\$ 155,000	\$ 176,759	\$ (21,759)
Professional services	47,000	47,000	-
Total operating expenditures	202,000	223,759	(21,759)
<b>Nonoperating expenditures:</b>			
Interest expense	657,669	392,527	265,142
<b>Budgetary appropriations:</b>			
Principal payments on long-term debt	7,683,000	7,683,000	-
Capital outlay	11,449,381	9,536,870	1,912,511
Total other expenditures	19,132,381	17,219,870	1,912,511
Total expenditures	<u>\$ 19,992,050</u>	<u>\$ 17,836,156</u>	<u>\$ 2,155,894</u>
<b>Reconciliation of modified accrual basis to full accrual basis:</b>			
Total revenues - modified accrual basis		\$ 18,308,398	
Total expenditures - modified accrual basis		17,836,156	
Excess (deficiency) of revenues over (under) expenditures		472,242	
<b>Adjustments to full accrual basis:</b>			
Depreciation		(86,966)	
Payment of debt principal		7,683,000	
Financing proceeds		(15,322,000)	
Increase in bond interest accrued		(41,952)	
Capital outlay		9,536,870	
Less amounts not capitalized		(529,496)	
Capitalized interest on borrowings during construction:			
Interest costs		285,321	
Investment earnings on borrowed funds		(247,463)	
Change in Net Assets		<u>\$ 1,749,556</u>	

**MOORE COUNTY, NORTH CAROLINA**

**Combining Statement of Net Assets  
Internal Service Funds  
June 30, 2008**

	<b>Management Information Systems Fund</b>	<b>Risk Management Fund</b>	<b>Property Management Fund</b>	<b>Total</b>
<b>Assets</b>				
Current assets				
Cash	\$ 219,666	\$ 4,025,362	\$ 21,166	\$ 4,266,194
Accounts receivable	-	52,749	7,013	59,762
Inventories	-	-	85,390	85,390
Total current assets	<u>219,666</u>	<u>4,078,111</u>	<u>113,569</u>	<u>4,411,346</u>
Noncurrent assets				
Capital assets	901,049	-	17,080,141	17,981,190
Accumulated depreciation	(780,369)	-	(12,864,263)	(13,644,632)
Total noncurrent assets	<u>120,680</u>	<u>-</u>	<u>4,215,878</u>	<u>4,336,558</u>
Total assets	<u>340,346</u>	<u>4,078,111</u>	<u>4,329,447</u>	<u>8,747,904</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable and accrued liabilities	44,618	1,313	201,168	247,099
Insurance claims payable	-	399,422	-	399,422
Due to general fund	-	-	1,495,000	1,495,000
Current maturities of long-term debt	21,317	-	-	21,317
Total current liabilities	<u>65,935</u>	<u>400,735</u>	<u>1,696,168</u>	<u>2,162,838</u>
Noncurrent liabilities				
Capital lease payable	41,887	-	-	41,887
Accrued vacation benefits	33,806	3,887	67,407	105,100
Total liabilities	<u>141,628</u>	<u>404,622</u>	<u>1,763,575</u>	<u>2,309,825</u>
<b>Net assets</b>				
Invested in capital assets, net of related debt	57,476	-	4,215,878	4,273,354
Unrestricted net assets (deficit)	141,242	3,673,489	(1,650,006)	2,164,725
Total net assets	<u>\$ 198,718</u>	<u>\$ 3,673,489</u>	<u>\$ 2,565,872</u>	<u>\$ 6,438,079</u>

**MOORE COUNTY, NORTH CAROLINA**

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets**

**Internal Service Funds**

**For the Fiscal Year Ended June 30, 2008**

	<b>Management Information Systems Fund</b>	<b>Risk Management Fund</b>	<b>Property Management Fund</b>	<b>Total</b>
<b>Operating revenues</b>				
Charges for services	\$ 1,761,124	\$ 7,052,217	\$ 3,792,512	\$ 12,605,853
Total operating revenues	<u>1,761,124</u>	<u>7,052,217</u>	<u>3,792,512</u>	<u>12,605,853</u>
<b>Operating expenses</b>				
Salaries and fringe benefits	555,386	65,897	1,139,703	1,760,986
Operational expenses	867,227	552	2,700,066	3,567,845
Depreciation	44,511	-	797,090	841,601
Administrative costs	-	188,953	-	188,953
Hospitalization benefits and insurance premiums	-	4,846,583	-	4,846,583
Wellness Clinic	-	293,394	-	293,394
Total operating expenses	<u>1,467,124</u>	<u>5,395,379</u>	<u>4,636,859</u>	<u>11,499,362</u>
<b>Operating income (loss)</b>	<u>294,000</u>	<u>1,656,838</u>	<u>(844,347)</u>	<u>1,106,491</u>
<b>Nonoperating revenue (expense)</b>				
Gain on disposal of capital assets	19,208	-	19,047	38,255
Interest	(2,043)	-	-	(2,043)
Total nonoperating revenue (expense)	<u>17,165</u>	<u>-</u>	<u>19,047</u>	<u>36,212</u>
<b>Income (loss) before transfers, contributions special items, and extraordinary items</b>	<u>311,165</u>	<u>1,656,838</u>	<u>(825,300)</u>	<u>1,142,703</u>
<b>Transfers from other funds</b>	-	15,605	28,473	44,078
<b>Capital Contribution</b>	-	-	6,900	6,900
<b>Change in net assets</b>	<u>311,165</u>	<u>1,672,443</u>	<u>(789,927)</u>	<u>1,193,681</u>
<b>Total net assets - beginning</b>	<u>(112,447)</u>	<u>2,001,046</u>	<u>3,355,799</u>	<u>5,244,398</u>
<b>Total net assets - ending</b>	<u>\$ 198,718</u>	<u>\$ 3,673,489</u>	<u>\$ 2,565,872</u>	<u>\$ 6,438,079</u>

**MOORE COUNTY, NORTH CAROLINA**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Fiscal Year Ended June 30, 2008**

	<b>Management Information Systems Fund</b>	<b>Risk Management Fund</b>	<b>Property Management Fund</b>	<b>Total</b>
<b>Cash flows from operating activities</b>				
Cash received from customers	\$ 1,761,127	\$ 7,006,288	\$ 3,790,279	\$ 12,557,694
Cash paid for goods and services	(917,562)	(5,384,592)	(2,785,461)	(9,087,615)
Cash paid to employees for services	(541,621)	(61,665)	(1,131,325)	(1,734,611)
<b>Net cash provided by (used in) operating activities</b>	<b>301,944</b>	<b>1,560,031</b>	<b>(126,507)</b>	<b>1,735,468</b>
<b>Cash flows from noncapital financing</b>				
Due due general fund	(121,000)	-	-	(121,000)
Due from general fund	-	-	1,495,000	1,495,000
Transfer in	-	15,605	28,473	44,078
<b>Net cash provided (used) by noncapital financing</b>	<b>(121,000)</b>	<b>15,605</b>	<b>1,523,473</b>	<b>1,418,078</b>
<b>Cash flows from capital and related financing activities</b>				
Proceeds from disposal of capital assets	19,208	-	19,047	38,255
Principal payments on long-term debt	(9,310)	-	-	(9,310)
Interest paid	(2,043)	-	-	(2,043)
Purchase of capital assets	(21,907)	-	(1,446,592)	(1,468,499)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(14,052)</b>	<b>-</b>	<b>(1,427,545)</b>	<b>(1,441,597)</b>
<b>Net increase (decrease) in cash and cash equivalents/investments</b>	<b>166,892</b>	<b>1,575,636</b>	<b>(30,579)</b>	<b>1,711,949</b>
<b>Cash and cash equivalents/investments</b>				
<b>Beginning of year</b>	<b>52,774</b>	<b>2,449,726</b>	<b>51,745</b>	<b>2,554,245</b>
<b>End of year</b>	<b>\$ 219,666</b>	<b>\$ 4,025,362</b>	<b>\$ 21,166</b>	<b>\$ 4,266,194</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>				
Operating income (loss)	\$ 294,000	\$ 1,656,838	\$ (844,347)	\$ 1,106,491
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	44,511	-	797,090	841,601
Change in assets and liabilities				
(Increase) decrease in receivables	3	(45,929)	(2,233)	(48,159)
(Increase) decrease in inventories	-	-	(28,942)	(28,942)
Increase (decrease) in accounts payable	(45,879)	(54,765)	(50,774)	(151,418)
Increase (decrease) in accrued vacation payable	9,309	3,887	2,699	15,895
Total adjustments	7,944	(96,807)	717,840	628,977
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 301,944</b>	<b>\$ 1,560,031</b>	<b>\$ (126,507)</b>	<b>\$ 1,735,468</b>
<b>Noncash Investing, capital, and financing activities:</b>				
Borrowing under capital lease	72,513	-	-	72,513
Contributions of capital assets	-	-	6,900	6,900

COUNTY OF MOORE, NORTH CAROLINA

INTERNAL SERVICE FUND  
MANAGEMENT INFORMATION SYSTEMS  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
<b>Operating revenues:</b>			
Charges for services	\$ 1,591,671	\$ 1,761,124	\$ 169,453
<b>Nonoperating revenues:</b>			
Gain on disposal of capital assets	11,000	19,208	8,208
<b>Capital lease proceeds</b>	-	72,513	72,513
Total revenues	1,602,671	1,852,845	250,174
<b>Operating expenditures:</b>			
Salaries and fringe benefits	\$ 537,291	\$ 541,621	\$ (4,330)
Operational expenditures	755,459	662,906	92,553
Total operating expenditures	1,292,750	1,204,527	88,223
<b>Nonoperating expenditures:</b>			
Interest expense	12,445	2,043	10,402
<b>Budgetary appropriations:</b>			
Principal payments on long-term debt	44,176	9,310	34,866
Capital outlay	253,300	298,741	(45,441)
Total budgetary appropriations	297,476	308,051	(10,575)
Total expenditures	\$ 1,602,671	\$ 1,514,621	\$ 88,050
<b>Reconciliation of modified accrual basis to full accrual basis:</b>			
Total revenues - modified accrual basis		\$ 1,852,845	
Total expenditures - modified accrual basis		1,514,621	
Excess (deficiency) of revenues over (under) expenditures		338,224	
<b>Adjustments to full accrual basis:</b>			
Depreciation		(44,511)	
Increase in accrued payroll		(4,456)	
Increase in accrued vacation pay		(9,309)	
Capital lease proceeds		(72,513)	
Principal payments on long-term debt		9,310	
Capital outlay		298,741	
Less amounts not capitalized		(204,321)	
Change in net assets		\$ 311,165	



COUNTY OF MOORE, NORTH CAROLINA

INTERNAL SERVICE FUND  
RISK MANAGEMENT

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
<b>Operating revenues:</b>			
Charges for services	\$ 6,874,957	\$ 7,052,217	\$ 177,260
<b>Transfer from General Fund</b>	15,605	15,605	-
<b>Net assets appropriated</b>	285,484	-	(285,484)
<b>Total revenues</b>	<u>\$ 7,176,046</u>	<u>\$ 7,067,822</u>	<u>\$ (108,224)</u>
<b>Operating expenditures:</b>			
Salaries and fringe benefits	\$ 62,393	\$ 61,665	\$ 728
Administrative costs	185,000	188,953	(3,953)
Hospitalization benefits and insurance premiums	6,515,828	4,846,583	1,669,245
Operational expenditures	3,490	552	2,938
Wellness Clinic	409,335	293,394	115,941
<b>Total operating expenditures</b>	<u>\$ 7,176,046</u>	<u>\$ 5,391,147</u>	<u>\$ 1,784,899</u>
<b>Reconciliation of modified accrual basis to full accrual basis:</b>			
Total revenues - modified accrual basis		\$ 7,067,822	
Total expenditures - modified accrual basis		5,391,147	
Excess (deficiency) of revenues over (under) expenditures		1,676,675	
<b>Adjustments to full accrual basis:</b>			
Increase in accrued payroll		(345)	
Increase in accrued vacation pay		(3,887)	
<b>Change in net assets</b>		<u>\$ 1,672,443</u>	

COUNTY OF MOORE, NORTH CAROLINA

INTERNAL SERVICE FUND  
PROPERTY MANAGEMENT  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
<b>Operating revenues:</b>			
Charges for services	\$ 3,824,403	\$ 3,792,512	\$ (31,891)
<b>Nonoperating revenues:</b>			
Gain on disposal of capital assets	16,697	19,047	2,350
<b>Capital contribution</b>	-	6,900	6,900
<b>Transfer from General Fund</b>	28,473	28,473	-
<b>Net assets appropriated</b>	1,965,169	-	(1,965,169)
<b>Total revenues and other financing sources</b>	<u>\$ 5,834,742</u>	<u>\$ 3,846,932</u>	<u>\$ (1,987,810)</u>
<b>Operating expenditures:</b>			
Salaries and fringe benefits	\$ 1,149,966	\$ 1,131,326	\$ 18,640
Operational expenditures	2,971,757	2,627,685	344,072
Total operating expenditures	4,121,723	3,759,011	362,712
<b>Budgetary appropriations:</b>			
Capital outlay	1,713,019	1,525,873	187,146
<b>Total expenditures</b>	<u>\$ 5,834,742</u>	<u>\$ 5,284,884</u>	<u>\$ 549,858</u>
<b>Reconciliation of modified accrual basis to full accrual basis:</b>			
Total revenues - modified accrual basis		\$ 3,846,932	
Total expenditures - modified accrual basis		5,284,884	
Excess (deficiency) of revenues over (under) expenditures		(1,437,952)	
<b>Adjustments to full accrual basis:</b>			
Depreciation		(797,090)	
Increase in accrued payroll		(5,679)	
Increase in accrued vacation pay		(2,698)	
Capital outlay		1,525,873	
Less amounts not capitalized		(72,381)	
<b>Change in net assets</b>		<u>\$ (789,927)</u>	

**COUNTY OF MOORE, NORTH CAROLINA**

**Combining Statement of Assets and Liabilities  
Agency Funds  
June 30, 2008**

	<b>Social Services/ Sheriff Accounts Fund</b>	<b>Special Tax Districts Fund</b>	<b>Cooperative Extension Agency Fund</b>	<b>Soil &amp; Water Conservation District Fund</b>	<b>Totals</b>
<b>Assets</b>					
Cash	\$ 162,594	\$ 636,775	\$ 21,034	\$ 48,720	\$ 869,123
Property taxes (net of allowance for uncollectible taxes of \$74,000)	-	291,732	-	-	291,732
Due from other agencies and governments	-	13,012	-	-	13,012
Total assets	<u>\$ 162,594</u>	<u>\$ 941,519</u>	<u>\$ 21,034</u>	<u>\$ 48,720</u>	<u>\$ 1,173,867</u>
<b>Liabilities</b>					
Miscellaneous liabilities	\$ 162,594	\$ -	\$ 21,034	\$ 48,720	\$ 232,348
Intergovernmental payable - Towns	-	938,673	-	-	938,673
Intergovernmental payable - State of North Carolina	-	2,846	-	-	2,846
Total liabilities	<u>\$ 162,594</u>	<u>\$ 941,519</u>	<u>\$ 21,034</u>	<u>\$ 48,720</u>	<u>\$ 1,173,867</u>

**COUNTY OF MOORE, NORTH CAROLINA**

**Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2008**

	<u>July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2008</u>
<b><u>Social Services/Sheriff Accounts Fund</u></b>				
<b>Assets</b>				
Cash	\$ 121,639	\$ 234,986	\$ 194,031	\$ 162,594
Total assets	<u>\$ 121,639</u>	<u>\$ 234,986</u>	<u>\$ 194,031</u>	<u>\$ 162,594</u>
<b>Liabilities</b>				
Miscellaneous liabilities	\$ 121,639	\$ 234,986	\$ 194,031	\$ 162,594
Total liabilities	<u>\$ 121,639</u>	<u>\$ 234,986</u>	<u>\$ 194,031</u>	<u>\$ 162,594</u>
<b><u>Special Tax Districts Fund</u></b>				
<b>Assets</b>				
Cash	\$ 391,520	\$ 26,384,232	\$ 26,138,977	\$ 636,775
Property taxes (net of allowance for uncollectible taxes of \$74,000 at June 30, 2008 and \$78,000 at June 30, 2007)	309,192	27,006,189	27,023,649	291,732
Due from other agencies and governments	705	13,012	705	13,012
Total assets	<u>\$ 701,417</u>	<u>\$ 53,403,433</u>	<u>\$ 53,163,331</u>	<u>\$ 941,519</u>
<b>Liabilities</b>				
Intergovernmental payable - Towns	\$ 698,599	\$ 53,400,587	\$ 53,160,513	\$ 938,673
Intergovernmental payable - State of North Carolina	2,818	2,846	2,818	2,846
Total liabilities	<u>\$ 701,417</u>	<u>\$ 53,403,433</u>	<u>\$ 53,163,331</u>	<u>\$ 941,519</u>
<b><u>Cooperative Extension Agency Fund</u></b>				
<b>Assets</b>				
Cash	\$ 17,867	\$ 70,061	\$ 66,894	\$ 21,034
Due from other agencies and governments	1,120	-	1,120	-
Total assets	<u>\$ 18,987</u>	<u>\$ 70,061</u>	<u>\$ 68,014</u>	<u>\$ 21,034</u>
<b>Liabilities</b>				
Miscellaneous liabilities	\$ 18,987	\$ 70,061	\$ 68,014	\$ 21,034
Total liabilities	<u>\$ 18,987</u>	<u>\$ 70,061</u>	<u>\$ 68,014</u>	<u>\$ 21,034</u>
<b><u>Soil &amp; Water Conservation District Fund</u></b>				
<b>Assets</b>				
Cash	\$ 38,675	\$ 22,936	\$ 12,891	\$ 48,720
Total assets	<u>\$ 38,675</u>	<u>\$ 22,936</u>	<u>\$ 12,891</u>	<u>\$ 48,720</u>
<b>Liabilities</b>				
Miscellaneous liabilities	\$ 38,675	\$ 22,936	\$ 12,891	\$ 48,720
Total liabilities	<u>\$ 38,675</u>	<u>\$ 22,936</u>	<u>\$ 12,891</u>	<u>\$ 48,720</u>
<b><u>Total All Agency Funds</u></b>				
<b>Assets</b>				
Cash	\$ 569,701	\$ 26,712,215	\$ 26,412,793	\$ 869,123
Property taxes (net of allowance for uncollectible taxes of \$74,000 at June 30, 2008 and \$78,000 at June 30, 2007)	309,192	27,006,189	27,023,649	291,732
Due from other agencies and governments	1,825	13,012	1,825	13,012
Total assets	<u>\$ 880,718</u>	<u>\$ 53,731,416</u>	<u>\$ 53,438,267</u>	<u>\$ 1,173,867</u>
<b>Liabilities</b>				
Miscellaneous liabilities	\$ 179,301	\$ 327,983	\$ 274,936	\$ 232,348
Intergovernmental payable - Towns	698,599	53,400,587	53,160,513	938,673
Intergovernmental payable - State of North Carolina	2,818	2,846	2,818	2,846
Total liabilities	<u>\$ 880,718</u>	<u>\$ 53,731,416</u>	<u>\$ 53,438,267</u>	<u>\$ 1,173,867</u>

# COUNTY OF MOORE, NORTH CAROLINA

## Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Discretely Presented Component Unit - Convention and Visitors Bureau For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance With Final Positive (Negative)
<b>Revenues:</b>			
Net room occupancy tax	\$ 1,230,000	\$ 1,345,234	\$ 115,234
Charges for services	287,400	244,627	(42,773)
Total revenues	<u>1,517,400</u>	<u>1,589,861</u>	<u>72,461</u>
<b>Expenditures:</b>			
Salaries and benefits	438,430	446,168	(7,738)
Operating	1,237,299	1,174,989	62,310
Capital outlay	14,500	8,858	5,642
Total expenditures	<u>1,690,229</u>	<u>1,630,015</u>	<u>60,214</u>
Fund balance appropriated	172,829	-	(172,829)
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ (40,154)</u>	<u>\$ (40,154)</u>
Reconciliation of modified accrual basis to full accrual basis:			
Total revenues - modified accrual basis		\$ 1,589,861	
Total expenditures - modified accrual basis		<u>1,630,015</u>	
Excess of revenues over expenditures		(40,154)	
Adjustments to full accrual basis:			
Depreciation		(300)	
Capital outlay		8,858	
Less amounts not capitalized		<u>(1,296)</u>	
Change in net assets		<u>\$ (32,892)</u>	

COUNTY OF MOORE, NORTH CAROLINA

SCHEDULE OF ANALYSIS OF CURRENT TAX LEVY  
June 30, 2008

	County Wide		Total Levy	
	Property Valuation	Rate	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:				
Property taxed at current year's rate	\$ 10,978,605,922	0.445	\$ 46,286,673	\$ 2,574,402
Registered motor vehicles taxed at prior year's rates	209,905,060 44,500	0.455 0.475	- -	953,019 109
Penalties	11,188,555,482	21,658	21,658	-
		49,835,862	46,308,331	3,527,530
Discoveries:				
Current year taxes	52,448,636	0.445	234,860	-
Prior year taxes	439,399	0.545	2,381	-
	-	0.530	-	-
	11,890,520	0.475	56,451	-
Penalties		18,509	18,509	-
Abatements	(48,044,944)	(213,800)	(78,237)	(135,563)
Total property valuation	\$11,205,289,093			
Net Levy		49,934,263	46,542,295	3,391,967
Uncollected taxes at 6/30/08		360,366	158,046	202,320
Current year's taxes collected		\$49,573,897	\$46,384,249	\$3,189,647
Current levy collection percentage		99.28%	99.66%	94.04%

\* Billings are prorated according to the number of months in the billing cycle. Property is at full value but levy may vary.

COUNTY OF MOORE, NORTH CAROLINA  
GENERAL FUND  
SCHEDULE OF TAXES RECEIVABLE  
June 30, 2008

<u>Tax Levy</u>	<u>Uncollected Balance June 30, 2007</u>	<u>Gross Levy</u>	<u>Collections</u>	<u>Other Reductions</u>	<u>Uncollected Balance June 30, 2008</u>
2002 and back	\$ 296,439	\$ -	\$ 15,997	\$ (93,355)	\$ 187,087
2003	65,479	-	7,078	(413)	57,988
2004	69,348	-	10,328	(584)	58,436
2005	102,059	-	22,703	(1,300)	78,056
2006	332,939	-	213,252	(7,311)	112,376
2007	-	<u>50,148,063</u>	<u>49,573,897</u>	<u>\$ (213,800)</u>	<u>360,366</u>
Total	866,264	<u>\$ 50,148,063</u>	<u>\$ 49,843,255</u>	<u>\$ (316,763)</u>	854,309
Less allowance for uncollectible taxes (20%)	<u>(173,000)</u>				<u>(171,000)</u>
Taxes receivable, net	<u>\$ 693,264</u>				<u>\$ 683,309</u>
Reconciliation to property tax revenue:					
Collections per above					\$ 49,843,255
Penalties and interest					248,947
Discounts					(528,994)
Relief/refunds					<u>(37,760)</u>
Property tax revenue per combined financial statements					<u>\$ 49,525,448</u>

COUNTY OF MOORE, NORTH CAROLINA

SCHEDULE OF CAPITAL ASSETS - BY FUNCTION AND ACTIVITY

June 30, 2008

Function and activity:	Land	Buildings	Equipment	Total
General government:				
Airport	\$ 14,654,010	\$ 8,030,817	\$ 479,484	\$ 23,164,311
Government Center	1,585,396	-	-	1,585,396
Wellness Center	-	73,274	-	73,274
Finance	-	-	5,259	5,259
Tax	-	-	52,511	52,511
Elections	-	255,491	16,472	271,963
Register of deeds	-	1,252,082	118,068	1,370,150
Total general government	16,239,406	9,611,664	671,794	26,522,864
Public safety:				
Sheriff	-	-	523,556	523,556
Jail	-	5,042,039	56,071	5,098,110
Day reporting center	-	88,735	5,608	94,343
Emergency management	-	-	539,622	539,622
Emergency medical services	-	30,878	1,064,324	1,095,202
E911 communications	-	29,002	1,361,139	1,390,141
Total public safety	-	5,190,654	3,550,320	8,740,974
Environmental protection and community development:				
Waste disposal	289,600	675,592	853,975	1,819,167
Planning and community development	-	-	76,108	76,108
Cooperative extension service	-	-	30,946	30,946
Soil and water conservation/District	-	-	41,103	41,103
Economic development	701,500	-	-	701,500
Total environmental protection and community development	991,100	675,592	1,002,132	2,668,824
Human services:				
Health	-	746,275	142,257	888,532
Social services/Child support	-	3,321,691	413,475	3,735,166
Veterans	-	35,000	-	35,000
Older adults	44,000	1,691,374	18,882	1,754,256
Transportation services	-	-	1,214,515	1,214,515
Total human services	44,000	5,794,340	1,789,129	7,627,469
Cultural and recreational:				
Library	-	-	12,985	12,985
Recreation	1,275,383	109,429	20,274	1,405,086
Total cultural and recreational	1,275,383	109,429	33,259	1,418,071
Total general capital assets	\$ 18,549,889	\$ 21,381,679	\$ 7,046,634	\$ 46,978,202



COUNTY OF MOORE, NORTH CAROLINA

SCHEDULE OF CHANGES IN CAPITAL ASSETS - BY FUNCTION AND ACTIVITY  
for the year ended June 30, 2008

<u>Function and activity:</u>	<u>General capital assets 7/1/07</u>	<u>Additions</u>	<u>Transfers and Deductions</u>	<u>General capital assets 6/30/08</u>
General government:				
Airport	\$ 19,928,159	\$ 3,236,152	\$ -	\$ 23,164,311
Government Center	27,900	1,557,496	-	1,585,396
Wellness Clinic	73,274	-	-	73,274
Finance	5,259	-	-	5,259
Tax	45,989	6,522	-	52,511
Elections	271,963	-	-	271,963
Register of deeds	1,357,442	12,708	-	1,370,150
Total general government	21,709,986	4,812,878	-	26,522,864
Public safety:				
Sheriff	418,756	104,800	-	523,556
Jail	5,098,110	-	-	5,098,110
Day reporting center	94,343	-	-	94,343
Emergency management	522,694	16,928	-	539,622
Emergency medical services	1,035,888	59,314	-	1,095,202
E911 communications	1,235,792	154,349	-	1,390,141
Total public safety	8,405,583	335,391	-	8,740,974
Environmental protection and community development:				
Waste disposal	1,776,270	42,897	-	1,819,167
Planning and community development	70,266	5,842	-	76,108
Cooperative extension service	17,021	-	13,925	30,946
Soil and water conservation	55,028	-	(13,925)	41,103
Economic development	675,000	26,500	-	701,500
Total environmental protection and community development	2,593,585	75,239	-	2,668,824
Human services:				
Health	875,732	12,800	-	888,532
Social services/Child support	3,720,741	33,068	(18,643)	3,735,166
Veterans	35,000	-	-	35,000
Older adults	1,692,606	61,650	-	1,754,256
Transportation services	855,453	393,943	(34,881)	1,214,515
Total human services	7,179,532	501,461	(53,524)	7,627,469
Cultural and recreational:				
Library	12,985	-	-	12,985
Recreation	1,312,516	92,570	-	1,405,086
Total cultural and recreational	1,325,501	92,570	-	1,418,071
Total general capital assets	\$ 41,214,187	\$ 5,817,539	\$ (53,524)	\$ 46,978,202

COUNTY OF MOORE, NORTH CAROLINA

SCHEDULE OF GENERAL OBLIGATION BOND MATURITIES  
June 30, 2008

Issue Date Description	Amount Issued	Maturities		Interest		Redeemed	Balance June 30, 2008	2008-2009 Requirements		
		Amount	Year	Rate	Due Date			Principal	Interest	Total
6/1/98	\$ 1,400,000	\$ 700,000	6/1/99-00	4.40%	12/1 & 6/1	\$ 1,400,000				
Public Improvement	700,000	700,000	6/1/01	4.50%	12/1 & 6/1	700,000				
	3,000,000	750,000	6/1/02-05	4.60%	12/1 & 6/1	3,000,000				
	800,000	800,000	6/1/06	4.60%	12/1 & 6/1	800,000				
	10,200,000	1,700,000	6/1/07-12	4.60%	12/1 & 6/1	3,400,000	\$ 6,800,000	\$ 1,700,000	\$ 312,800	\$ 2,012,800
	5,100,000	1,700,000	6/1/13-15	4.90%	12/1 & 6/1	-	5,100,000	-	249,900	249,900
	3,400,000	1,700,000	6/1/16-17	5.00%	12/1 & 6/1	-	3,400,000	-	170,000	170,000
	400,000	400,000	6/1/18	5.10%	12/1 & 6/1	-	400,000	-	20,400	20,400
	<u>25,000,000</u>					<u>9,300,000</u>	<u>15,700,000</u>	<u>1,700,000</u>	<u>753,100</u>	<u>2,453,100</u>
5/1/03	800,000	400,000	6/1/04-05	5.00%	12/1 & 6/1	800,000				
Public Improvement	1,800,000	400,000	6/1/06-09	3.00%	12/1 & 6/1	1,200,000	400,000	400,000	12,000	412,000
	800,000	400,000	6/1/10-11	3.50%	12/1 & 6/1	-	800,000	-	28,000	28,000
	400,000	400,000	6/1/12	3.625%	12/1 & 6/1	-	400,000	-	14,500	14,500
	800,000	400,000	6/1/13-14	5.00%	12/1 & 6/1	-	800,000	-	40,000	40,000
	400,000	400,000	6/1/15	4.00%	12/1 & 6/1	-	400,000	-	16,000	16,000
	400,000	400,000	6/1/16	3.875%	12/1 & 6/1	-	400,000	-	15,500	15,500
	2,000,000	2,000,000	6/1/17-18	4.00%	12/1 & 6/1	-	2,000,000	-	80,000	80,000
	3,200,000	1,600,000	6/1/19-20	4.125%	12/1 & 6/1	-	3,200,000	-	132,000	132,000
	1,100,000	1,100,000	6/1/21	4.25%	12/1 & 6/1	-	1,100,000	-	46,750	46,750
	<u>11,500,000</u>					<u>2,000,000</u>	<u>9,500,000</u>	<u>400,000</u>	<u>384,750</u>	<u>784,750</u>
5/12/03			6/1/03	4.50%	6/1					
Water			6/1/04	4.50%	6/1					
	19,500	19,500	6/1/05	4.50%	6/1	19,500				
	20,000	20,000	6/1/06	4.50%	6/1	20,000				
	21,000	21,000	6/1/07	4.50%	6/1	21,000				
	22,000	22,000	6/1/08	4.50%	6/1	22,000				
	23,000	23,000	6/1/09	4.50%	6/1	-	23,000	23,000	1,036	24,036
	24,000	24,000	6/1/10	4.50%	6/1	-	24,000	-	1,080	1,080
	25,000	25,000	6/1/11	4.50%	6/1	-	25,000	-	1,125	1,125
	26,500	26,500	6/1/12	4.50%	6/1	-	26,500	-	1,192	1,192
	27,500	27,500	6/1/13	4.50%	6/1	-	27,500	-	1,238	1,238
	28,500	28,500	6/1/14	4.50%	6/1	-	28,500	-	1,282	1,282
	30,000	30,000	6/1/15	4.50%	6/1	-	30,000	-	1,350	1,350
	31,500	31,500	6/1/16	4.50%	6/1	-	31,500	-	1,418	1,418
	32,500	32,500	6/1/17	4.50%	6/1	-	32,500	-	1,462	1,462
	34,000	34,000	6/1/18	4.50%	6/1	-	34,000	-	1,530	1,530
	35,500	35,500	6/1/19	4.50%	6/1	-	35,500	-	1,598	1,598
	37,500	37,500	6/1/20	4.50%	6/1	-	37,500	-	1,687	1,687
	39,000	39,000	6/1/21	4.50%	6/1	-	39,000	-	1,755	1,755
	41,000	41,000	6/1/22	4.50%	6/1	-	41,000	-	1,845	1,845
	42,500	42,500	6/1/23	4.50%	6/1	-	42,500	-	1,913	1,913
	44,500	44,500	6/1/24	4.50%	6/1	-	44,500	-	2,002	2,002
	46,500	46,500	6/1/25	4.50%	6/1	-	46,500	-	2,093	2,093
	48,500	48,500	6/1/26	4.50%	6/1	-	48,500	-	2,182	2,182
	51,000	51,000	6/1/27	4.50%	6/1	-	51,000	-	2,295	2,295
	53,000	53,000	6/1/28	4.50%	6/1	-	53,000	-	2,385	2,385
	55,500	55,500	6/1/29	4.50%	6/1	-	55,500	-	2,498	2,498
	58,500	58,500	6/1/30	4.50%	6/1	-	58,500	-	2,632	2,632
	61,000	61,000	6/1/31	4.50%	6/1	-	61,000	-	2,745	2,745
	63,500	63,500	6/1/32	4.50%	6/1	-	63,500	-	2,858	2,858
	66,500	66,500	6/1/33	4.50%	6/1	-	66,500	-	2,992	2,992
	69,500	69,500	6/1/34	4.50%	6/1	-	69,500	-	3,128	3,128
	73,000	73,000	6/1/35	4.50%	6/1	-	73,000	-	3,285	3,285
	76,000	76,000	6/1/36	4.50%	6/1	-	76,000	-	3,420	3,420
	79,500	79,500	6/1/37	4.50%	6/1	-	79,500	-	3,577	3,577
	390,000	78,000	6/1/38-42	4.50%	6/1	-	390,000	-	17,550	17,550
	<u>1,797,000</u>					<u>82,500</u>	<u>1,714,500</u>	<u>23,000</u>	<u>77,153</u>	<u>100,153</u>

(continued on next page)

COUNTY OF MOORE, NORTH CAROLINA

SCHEDULE OF GENERAL OBLIGATION BOND MATURITIES  
June 30, 2008

<u>Issue Date</u> <u>Description</u>	<u>Amount</u> <u>Issued</u>	<u>Maturities</u>		<u>Interest</u>		<u>Redeemed</u>	<u>Balance</u> <u>June 30, 2008</u>	<u>2008-2009 Requirements</u>		
		<u>Amount</u>	<u>Year</u>	<u>Rate</u>	<u>Due Date</u>			<u>Principal</u>	<u>Interest</u>	<u>Total</u>
5/28/08	750,000	750,000	6/1/09	3.25%	12/1 & 6/1	-	750,000	750,000	38,195	788,195
Public Improvement	1,500,000	750,000	6/1/10-11	3.50%	12/1 & 6/1	-	1,500,000	-	52,500	52,500
	1,370,000	1,370,000	6/1/12	4.00%	12/1 & 6/1	-	1,370,000	-	54,800	54,800
	1,370,000	1,370,000	6/1/13	3.50%	12/1 & 6/1	-	1,370,000	-	47,950	47,950
	1,360,000	1,360,000	6/1/14	4.00%	12/1 & 6/1	-	1,360,000	-	54,400	54,400
	1,360,000	1,360,000	6/1/15	3.625%	12/1 & 6/1	-	1,360,000	-	49,300	49,300
	1,360,000	1,360,000	6/1/16	3.75%	12/1 & 6/1	-	1,360,000	-	51,000	51,000
	1,620,000	1,620,000	6/1/17	3.75%	12/1 & 6/1	-	1,620,000	-	60,750	60,750
	1,850,000	1,850,000	6/1/18	4.00%	12/1 & 6/1	-	1,850,000	-	74,000	74,000
	2,395,000	2,395,000	6/1/19	4.75%	12/1 & 6/1	-	2,395,000	-	113,763	113,763
	2,395,000	2,395,000	6/1/20	4.25%	12/1 & 6/1	-	2,395,000	-	101,788	101,788
	2,985,000	2,985,000	6/1/21	4.25%	12/1 & 6/1	-	2,985,000	-	126,863	126,863
	2,815,000	2,815,000	6/1/22	4.25%	12/1 & 6/1	-	2,815,000	-	119,638	119,638
	2,815,000	2,815,000	6/1/23	4.375%	12/1 & 6/1	-	2,815,000	-	123,156	123,156
	2,815,000	2,815,000	6/1/24	4.50%	12/1 & 6/1	-	2,815,000	-	126,675	126,675
	11,240,000	2,810,000	6/1/25-28	4.25%	12/1 & 6/1	-	11,240,000	-	477,700	477,700
	<u>40,000,000</u>					-	<u>40,000,000</u>	<u>750,000</u>	<u>1,672,478</u>	<u>2,422,478</u>
4/01/08	7,661,000	7,661,000	7/30/08	2.25%	7/30	-	7,661,000	7,661,000	56,979	7,717,979
Water Bonds										
Anticipation Note										
	<u>\$ 85,958,000</u>					<u>\$ 11,382,500</u>	<u>\$ 74,575,500</u>	<u>\$ 10,534,000</u>	<u>\$ 2,944,460</u>	<u>\$ 13,478,460</u>

## STATISTICAL SECTION

This part of the Moore County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	98
Revenue Capacity <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	103
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	107
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	110
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	112

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

## Schedule 1

County of Moore  
Net Assets by Component  
Last Six Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Governmental activities						
Invested in capital assets, net of related debt	\$ 19,990	\$ 30,180	\$ 23,738	\$ 25,642	\$ 28,359	\$ 32,470
Restricted	-	-	-	-	658	2,772
Unrestricted	(12,250)	(17,347)	(12,908)	(7,324)	(3,838)	8,308
Total governmental activities net assets	\$ 7,740	\$ 12,833	\$ 10,830	\$ 18,318	\$ 25,179	\$ 43,550
Business-type activities						
Invested in capital assets, net of related debt	\$ 13,423	\$ 12,874	\$ 12,705	\$ 12,488	\$ 17,244	\$ 22,718
Unrestricted	6,477	7,594	9,175	10,886	8,127	5,004
Total business-type activities net assets	\$ 19,900	\$ 20,468	\$ 21,880	\$ 23,374	\$ 25,371	\$ 27,722
Primary government						
Invested in capital assets, net of related debt	\$ 33,413	\$ 43,054	\$ 36,443	\$ 38,130	\$ 45,603	\$ 55,188
Restricted	-	-	-	-	658	2,772
Unrestricted	(5,773)	(9,753)	(3,733)	3,562	4,289	13,312
Total primary government net assets	\$ 27,640	\$ 33,301	\$ 32,710	\$ 41,692	\$ 50,550	\$ 71,272

Note: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

## Schedule 2

**County of Moore**  
**Changes in Net Assets**  
**Last Six Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
<b>Expenses</b>						
Governmental activities:						
General government	\$ 6,435	\$ 6,643	\$ 6,435	\$ 6,182	\$ 6,445	\$ 6,419
Public Safety	9,811	11,065	12,327	12,867	15,238	16,083
Environmental protection and community development	3,440	2,931	3,052	3,587	3,646	3,781
Human services	17,600	17,859	19,284	20,562	22,012	21,345
Culture and recreational	1,059	915	1,011	1,017	1,134	1,066
Education	22,825	26,058	23,892	25,554	27,414	31,818
Grants-other	726	997	1,024	1,342	1,568	1,359
Debt service-interest	2,654	2,531	2,215	1,985	1,800	1,800
Total governmental activities expenses	<u>64,550</u>	<u>68,999</u>	<u>69,240</u>	<u>73,096</u>	<u>79,257</u>	<u>83,671</u>
Business-type activities:						
Wastewater treatment	1,869	2,167	2,039	2,317	2,394	2,608
Public utilities	5,066	5,266	4,883	5,577	6,570	6,450
East Moore water district	118	397	324	393	423	989
Total business-type activities expenses	<u>7,053</u>	<u>7,830</u>	<u>7,246</u>	<u>8,287</u>	<u>9,387</u>	<u>10,047</u>
Total primary government expenses	<u>\$ 71,603</u>	<u>\$ 76,829</u>	<u>\$ 76,486</u>	<u>\$ 81,383</u>	<u>\$ 88,644</u>	<u>\$ 93,718</u>
<b>Program Revenues</b>						
Governmental Activities:						
Charges for services:						
General government	\$ 2,039	\$ 2,273	\$ 2,765	\$ 3,161	\$ 3,004	\$ 2,396
Public safety	954	1,146	805	957	3,697	2,735
Environmental protection and community development	1,292	1,257	1,465	1,800	2,072	2,079
Human services	-	-	-	-	620	701
Cultural and recreational	144	145	179	161	198	195
Operating grants and contributions:						
General government	1,902	1,895	2,242	76	140	557
Public safety	320	355	447	1,058	761	1,214
Environmental protection and community development	-	-	9,185	13	12	76
Human services	7,579	8,111	-	10,621	10,590	10,860
Cultural and recreational	-	-	-	15	92	20
Education	905	722	554	614	229	143
Capital grants and contributions:						
General government	-	-	-	-	-	7
Public safety	55	119	-	217	-	-
Environmental protection and community development	883	1,037	2,304	1,253	990	3,241
Human services	-	-	-	-	56	339
Education	-	203	-	-	-	2,391
Total Government activities program revenues	<u>16,073</u>	<u>17,263</u>	<u>19,946</u>	<u>19,946</u>	<u>22,461</u>	<u>26,954</u>
Business-type activities:						
Charges for services:						
Wastewater treatment	2,179	2,162	1,846	2,183	2,287	2,192
Public utilities	5,212	5,829	6,099	6,828	7,401	6,670
East Moore water district	178	276	279	325	352	1,641
Capital grants and contributions:						
Wastewater treatment	-	-	-	-	288	102
Public utilities	2,205	-	-	-	649	400
East Moore water district	1,215	77	-	139	-	966
Total business-type activities program revenues	<u>10,989</u>	<u>8,344</u>	<u>8,224</u>	<u>9,475</u>	<u>10,977</u>	<u>11,971</u>
Total primary government program revenues	<u>\$ 27,062</u>	<u>\$ 25,607</u>	<u>\$ 28,170</u>	<u>\$ 29,421</u>	<u>\$ 33,438</u>	<u>\$ 38,925</u>

Note: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

**County of Moore**  
**Changes in Net Assets Cont.**  
**Last Six Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Net (expenses)/revenue						
Governmental activities	\$ (48,477)	\$ (51,736)	\$ (49,294)	\$ (53,150)	\$ (56,796)	\$ (56,717)
Business-type activities	3,936	514	978	1,188	1,590	1,924
Total primary government net expense	<u>\$ (44,541)</u>	<u>\$ (51,222)</u>	<u>\$ (48,316)</u>	<u>\$ (51,962)</u>	<u>\$ (55,206)</u>	<u>\$ (54,793)</u>
<b>General Revenues and Other Changes in</b>						
<b>Net Assets</b>						
Governmental activities:						
Taxes						
Property taxes	\$ 33,416	\$ 39,313	\$ 40,225	\$ 40,424	\$ 41,693	\$ 52,846
Sales taxes	11,240	14,493	15,820	17,216	18,349	18,928
Other taxes and licenses	600	695	613	614	518	275
Unrestricted intergovernmental revenues	273	282	415	271	318	375
Donations	74	39	43	94	116	109
Sales tax refunds	22	57	23	24	25	17
Investment income	475	324	813	1,634	2,027	2,101
Other revenues	124	483	142	-	131	-
Miscellaneous	-	-	-	-	-	39
Payments from component units	366	365	365	367	412	420
Gain on sale of capital assets	-	-	40	92	68	4
Transfers	-	4	(179)	2	-	(26)
Total government activities	<u>46,590</u>	<u>56,055</u>	<u>58,320</u>	<u>60,738</u>	<u>63,657</u>	<u>75,088</u>
Business-type activities:						
Sales tax refunds	58	3	-	-	3	174
Investment income	57	50	124	301	404	223
Gain on sale of capital assets	21	-	-	4	-	5
Transfers	-	-	149	-	-	26
Total business-type activities	<u>136</u>	<u>53</u>	<u>273</u>	<u>305</u>	<u>407</u>	<u>428</u>
Total primary government	<u>\$ 46,726</u>	<u>\$ 56,108</u>	<u>\$ 58,593</u>	<u>\$ 61,043</u>	<u>\$ 64,064</u>	<u>\$ 75,516</u>
<b>Change in Net Assets</b>						
Governmental activities	\$ (1,887)	\$ 4,319	\$ 9,026	\$ 7,588	\$ 6,861	\$ 18,371
Business-type activities	4,072	567	1,251	1,493	1,997	2,352
Total primary government	<u>\$ 2,185</u>	<u>\$ 4,886</u>	<u>\$ 10,277</u>	<u>\$ 9,081</u>	<u>\$ 8,858</u>	<u>\$ 20,723</u>

Note: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

## Schedule 3

**County of Moore**  
**Fund Balances of Governmental Funds**  
**Last Six Fiscal Years**  
**(Modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
General fund						
Reserved for:						
State statute	\$ 4,626	\$ 5,670	\$ 6,313	\$ 6,919	\$ 6,857	\$ 9,072
Financing agreement compliance	462	462	450	622	462	462
Inventories	4	4	5	4	3	4
Unreserved, designated for:						
General Fund - Subsequent year's expenditures	944	1,262	5,332	7,192	239	-
General Fund's Capital Reserve Fund - Subsequent year's expenditures	-	-	-	-	-	2,000
General Fund's Tax Revaluation Fund - Subsequent year's expenditures	-	-	-	-	-	100
Unreserved, undesignated	5,180	8,970	8,266	9,440	17,997	22,479
Total general fund	<u>\$ 11,216</u>	<u>\$ 16,368</u>	<u>\$ 20,366</u>	<u>\$ 24,177</u>	<u>\$ 25,558</u>	<u>\$ 34,117</u>
 All other governmental funds						
Reserved for:						
State statute	\$ 418	\$ 896	\$ 413	\$ 189	\$ 426	\$ 886
Wireless 911 expenditures	256	353	468	629	658	936
Financing agreement compliance	9,495	5,498	4,313	3,247	1,252	39,677
Grant agreement compliance	-	-	-	-	-	249
Education - lottery and ADM funds	-	-	-	-	-	1,587
Unreserved, designated for:						
Special Revenue Funds Subsequent year's expenditures	468	426	411	338	306	521
Unreserved, undesignated						
Special revenue funds	676	679	270	243	2,275	2,878
Capital projects funds	(43)	(383)	102	212	75	316
Total all other governmental funds	<u>\$ 11,270</u>	<u>\$ 7,469</u>	<u>\$ 5,977</u>	<u>\$ 4,858</u>	<u>\$ 4,992</u>	<u>\$ 47,050</u>

Note: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.



## Schedule 4

**County of Moore**  
**Changes in Fund Balances of Governmental Funds**  
**Last Six Fiscal Years**  
(modified accrual basis of accounting)  
(amounts expressed in thousands)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
<b>Revenues</b>						
Property taxes	\$ 33,207	\$ 39,345	\$ 40,247	\$ 40,464	\$ 41,673	\$ 52,876
Sales taxes	11,240	14,493	15,820	17,216	18,349	18,928
Other taxes and licenses	600	695	613	614	518	275
Unrestricted intergovernmental revenues	273	282	415	271	318	375
Restricted intergovernmental revenues	11,644	12,787	14,894	14,224	13,256	18,840
Charges for services	4,429	4,821	4,960	5,787	9,233	8,106
Investment income	475	323	813	1,634	2,027	2,098
Sales tax refunds	22	57	23	24	24	18
Miscellaneous	124	234	142	-	95	1
Donations	74	39	43	94	116	109
Payments from component units	366	365	365	367	412	420
Total revenues	<u>62,454</u>	<u>73,441</u>	<u>78,335</u>	<u>80,695</u>	<u>86,021</u>	<u>102,046</u>
<b>Expenditures</b>						
Current:						
General government	4,817	4,762	5,125	5,623	5,796	6,090
Public safety	9,223	10,655	11,620	12,218	13,905	15,453
Environmental protection and community development	2,941	2,945	3,259	3,146	3,535	3,676
Human services	16,909	17,700	18,839	20,211	21,265	21,173
Cultural and recreational	992	968	1,003	1,026	1,102	1,076
Education	20,476	21,992	22,684	23,722	25,868	29,248
Grants - other	726	997	1,024	1,342	1,568	1,359
Capital outlay	5,147	5,838	5,654	3,959	5,301	8,683
Bond issuance costs	-	-	-	-	-	339
Debt service:						
Principal	3,924	4,446	4,785	4,345	4,354	4,470
Interest	2,259	2,571	2,263	2,019	1,830	1,681
Total expenditures	<u>67,414</u>	<u>72,874</u>	<u>76,256</u>	<u>77,611</u>	<u>84,524</u>	<u>93,248</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,960)</u>	<u>567</u>	<u>2,079</u>	<u>3,084</u>	<u>1,497</u>	<u>8,798</u>
<b>Other financing sources (uses)</b>						
Transfers in	2,269	431	297	594	192	2,561
Transfers out	(2,269)	(427)	(500)	(1,116)	(192)	(2,631)
Proceeds from sale of capital assets	11	4	290	37	19	4
Bonds premium	-	-	-	-	-	385
Bonds	11,500	-	-	-	-	40,000
Installment purchase obligation issued	-	-	132	160	-	1,500
Total other financing sources (uses)	<u>11,511</u>	<u>8</u>	<u>219</u>	<u>(325)</u>	<u>19</u>	<u>41,819</u>
Net change in fund balances	<u>\$ 6,551</u>	<u>\$ 575</u>	<u>\$ 2,298</u>	<u>\$ 2,759</u>	<u>\$ 1,516</u>	<u>\$ 50,617</u>
Debt service as a percentage of noncapital expenditures (1)	9.42%	9.83%	9.82%	8.36%	7.62%	7.04%

Notes: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

- (1) Total debt service is shown as a percentage of total noncapital expenditures. Noncapital expenditures are total expenditures less capital outlay (to the extent capitalized for the government-wide statement of net assets) and expenditures for capitalized assets included within the functional expenditure categories.

County of Moore  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Six Fiscal Years  
(in thousands of dollars)

Fiscal Year	Real Property		Personal Property			Less: Tax Exempt Real Property	Less: Abatements	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Utilities/ Other							
2003	\$ 347,527	\$ 5,090,390	\$ 702,798	\$ 107,391	\$ 563,952	\$ 48,880	\$ 5,635,274	\$ 0.545	\$ 7,151,174	78.8%	
2004	306,496	7,160,863	642,670	208,635	575,359	50,543	7,692,762	0.475	7,692,762	100.0%	
2005	288,282	7,512,919	678,352	138,553	747,286	48,261	7,822,559	0.475	8,351,919	93.7%	
2006	286,889	7,813,395	779,662	135,636	777,751	49,858	8,187,973	0.455	8,300,000	98.7%	
2007	313,506	8,079,246	754,217	144,524	726,470	54,944	8,510,079	0.455	8,510,079	100.0%	
2008	310,730	11,208,853	787,060	149,868	1,203,177	48,045	11,205,289	0.445	10,830,592	103.4%	

Source: Moore County Tax Department

Notes: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Property in the county is reassessed every four years. The County assesses property at 100 percent of actual value for personal property and 88 percent for real property. Estimated actual taxable value is calculated by dividing assessed value by those percentages. Tax rates are per \$100 of assessed value.

N/A - not available

## Schedule 6

County of Moore  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<u>Direct Rates</u>										
County General	\$0.4900	\$0.4900	\$0.5300	\$0.5450	\$0.5450	\$0.4750	\$0.4750	\$0.4550	\$0.4550	\$0.4450
Advanced Life Support (ALS)	0.0500	0.0500	0.0500	0.0500	0.0500	0.0400	0.0400	0.0400	0.0400	0.0300
<u>Municipalities</u>										
Aberdeen	0.4800	0.4800	0.4800	0.4800	0.4800	0.4300	0.4300	0.4300	0.4500	0.4300
Cameron	0.5100	0.5100	0.5100	0.5100	0.5100	0.4900	0.4900	0.4900	0.5600	0.5600
Carthage	0.4700	0.4700	0.4700	0.4700	0.4700	0.4200	0.4200	0.4200	0.4200	0.4000
Foxfire	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700	0.3200	0.3200	0.3200	0.3200
Pinebluff	0.4700	0.4700	0.4700	0.4700	0.4700	0.4400	0.4400	0.4200	0.4200	0.4000
Pinehurst	0.3300	0.3100	0.3000	0.3000	0.3500	0.2900	0.3100	0.3100	0.3100	0.2800
Robbins	0.6800	0.6800	0.6800	0.6800	0.6800	0.6600	0.6600	0.6600	0.6600	0.6600
Southern Pines	0.5000	0.5000	0.5000	0.5000	0.5000	0.3900	0.3900	0.3900	0.4000	0.3400
Taylorstown	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
Vass	0.5925	0.6175	0.5875	0.5875	0.5875	0.5300	0.5300	0.5300	0.5300	0.4800
Whispering Pines	0.3400	0.3400	0.3600	0.3600	0.3900	0.3400	0.3400	0.3400	0.3400	0.3100
<u>Fire Districts</u>										
Southern Pines	0.1000	0.1200	0.1200	0.1200	0.1200	0.0900	0.0900	0.1000	0.1000	0.0900
Crestline	0.1200	0.1200	0.1200	0.1200	0.1200	0.0900	0.0900	0.0900	0.0900	0.0830
Pinebluff	0.0900	0.0900	0.0900	0.0900	0.0900	0.0850	0.0850	0.0850	0.0850	0.0850
Pinehurst	0.1200	0.1200	0.1200	0.1200	0.1400	0.1000	0.1000	0.1000	0.1000	0.8600
Seven Lakes	0.0600	0.0600	0.0600	0.0600	0.0500	0.0425	0.0425	0.0425	0.0425	0.0420
West End	0.0800	0.0800	0.0800	0.0800	0.0800	0.0550	0.0500	0.0600	0.0600	0.0600
Eastwood	0.1100	0.1100	0.1100	0.1100	0.1100	0.0775	0.0775	0.0775	0.0775	0.0700
Circle V	0.0925	0.0925	0.0925	0.0925	0.0925	0.0675	0.0675	0.0675	0.0675	0.0650
Robbins	0.0700	0.0700	0.0700	0.0700	0.0700	0.0600	0.0600	0.0600	0.0600	0.0630
Carthage	0.0550	0.0550	0.0550	0.0700	0.0700	0.0550	0.0550	0.0550	0.0650	0.0650
Cameron	0.1100	0.1100	0.1100	0.1100	0.1100	0.0900	0.0900	0.0900	0.0900	0.0088
Highfalls	0.1000	0.1000	0.1000	0.1000	0.1000	0.0650	0.0650	0.0650	0.0650	0.0490
Eagle Springs	0.0700	0.0700	0.0700	0.0700	0.0700	0.0550	0.0550	0.0750	0.0750	0.0730
Aberdeen	0.1300	0.1300	0.1300	0.1300	0.1300	0.1100	0.1100	0.1100	0.1100	0.0970
Crains Creek	0.1300	0.1300	0.1300	0.1300	0.1300	0.1150	0.1150	0.1150	0.1150	0.1150
PH Munic Service	0.0600	0.0600	0.0800	0.1000	0.2800	0.1200	0.1200	0.1200	0.0900	0.0800
Whispering Pines	0.0450	0.0450	0.0450	0.0900	0.0900	0.0500	0.0500	0.0500	0.0500	0.0460
Westmoore	0.0800	0.0800	0.0800	0.0800	0.0800	0.0600	0.0600	0.0600	0.0700	0.0570

Source: Moore County Tax Department

Notes: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Property in the county is reassessed every four years. Tax rates are per \$100 of assessed value. Tax rate is as of July 1 of each fiscal year.

## Schedule 7

County of Moore  
Principal Property Taxpayers  
Current Year and Nine Years Ago

	2008			1999		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Resorts of Pinehurst (Note 1)	\$ 161,594,460	1	1.44%	\$ 61,424,957	1	1.30%
Progress Energy	69,453,851	2	0.62%			
Forest Creek Holding Co. LLC	35,639,497	3	0.32%	14,030,637	10	0.30%
Kirkpatrick, James R - Aberdeen Commons	28,090,480	4	0.25%			
Country Club of North Carolina (Note 2)	26,938,010	5	0.24%	14,168,657	9	0.30%
Pinehurst Surgical	26,537,062	6	0.24%			
WRI Pinecrest Plaza	25,373,480	7	0.23%			
Carolina Telephone & Telegraph	25,265,261	8	0.23%	23,193,343	3	0.49%
Pine Needles (Note 3)	23,704,321	9	0.21%			
Pine Needles (Note 4)	19,787,545	10	0.18%			
Carolina Power & Light				17,511,610	6	0.37%
Seymour Land Trust (Note 5)				52,567,561	2	1.11%
James R. Kirkpatrick - Pinecrest Plaza				15,082,070	8	0.32%
Woodlake (Note 6)				18,215,717	5	0.38%
The National Golf Club (Note 7)				18,670,187	4	0.39%
				16,178,115	7	0.34%
Total assessed valuation of top 10 taxpayers	442,383,967		3.96%	251,042,854		5.30%
Balance of assessed valuation	10,762,905,126		96.04%	4,490,997,750		94.70%
Total assessed valuation	\$ 11,205,289,093		100%	\$ 4,742,040,604		100.00%

Source - Moore County Tax Department

Notes: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

1. Includes Pinehurst Hotel, Inc., Resorts of Pinehurst, Resorts for Pinehurst Inc., Pinehurst Acquisition Corp., PCC Realty Corp, Pinehurst Enterprises Inc., Yadco of Pinehurst, Pinehurst Inc., Pinehurst Resorts Co.
2. Includes Country Club of NC Inc., Country Club of NC, The
3. Includes Mid-Pines Inn & Golf Club, Mid-Pines Development Group, Pineneedles Co Club, Inc., Pine Needles Properties, Pine Needles Country Club
4. Includes Country Club of Pinewild Mgmt., Pinewild Development, Pinewild Maintenance Corp., Pinewild Project Lmted. Partnership
5. Includes Seymour Land Development, Seymour Prop Inc., Seymour Properties, Inc., Seymour Trust, Seymour Trust T/A SWF Assoc., Seymour Family, LLC.
6. Includes Woodlake Partners, Woodlake Partners Limited, Woodlake Properties
7. Includes The Plantation and The National Golf Club

**County of Moore**  
**Property Tax Levies and Collections**  
**Last Six Fiscal Years**  
(amounts expressed in thousands)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	\$ 30,771	\$ 30,225	98.2%	\$ 289	\$ 30,514	99.1%
2004	36,416	36,019	98.9%	431	36,450	100.1%
2005	37,215	36,892	99.1%	351	37,243	100.1%
2006	37,353	37,025	99.1%	299	37,324	100.0%
2007	38,775	38,442	99.1%	278	38,720	99.9%
2008	49,934	49,574	99.3%	269	49,843	99.8%

Sources: Moore County Tax Department and Moore County Finance Department

Note: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Schedule 9

County of Moore  
Ratios of Outstanding Debt by Type  
Last Six Fiscal Years  
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Certificates of Participation	Capital Lease	Notes Payable	USDA Bonds	Notes Payable			
2003	\$ 35,755	\$ 2,570	\$ -	\$ 17,234	\$ 1,797	\$ 6,550	63,906	25.58%	\$ 825
2004	33,625	2,255	-	15,164	1,797	5,808	58,649	21.90%	750
2005	31,510	1,925	-	12,881	1,778	5,089	53,183	18.38%	670
2006	29,400	1,580	-	11,110	1,758	4,455	48,303	15.85%	597
2007	27,300	1,215	-	9,221	1,737	3,839	43,312	N/A	516
2008	65,200	830	63	8,737	9,376	3,243	87,449	N/A	1,036

Notes: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Demographic and Economic Statistics on Schedule 12 for personal income and population data.

N/A - not available

**County of Moore**  
**Ratios of General Bonded Debt Outstanding**  
**Last Six Fiscal Years**  
(amounts expressed in thousands, except per capita amount)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Estimated Actual Taxable Value of Property (a)</u>	<u>Per Capita (b)</u>
2003	\$ 37,552	0.52%	\$ 485
2004	35,422	0.46%	453
2005	33,288	0.40%	420
2006	31,158	0.38%	386
2007	29,037	0.34%	346
2008	74,576	0.69%	883

Notes: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Details regarding the County's outstanding debt can be found in the notes of the financial statements.

- a. See the schedule of Assessed Value and Estimated Actual Value of Taxable Property (Schedule 5) for property value data.
- b. Population data can be found in the schedule of Demographic and Economic Statistics (Schedule 12).

**County of Moore**  
**Legal Debt Margin Information**  
**Last Six Fiscal Years**

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Debt limit	\$ 450,821,938	\$ 615,420,929	\$ 625,804,704	\$ 655,037,817	\$ 680,806,310	\$ 896,423,127
Total net debt applicable to limit	55,558,623	51,043,752	46,315,559	42,089,765	37,736,277	104,329,723
Legal debt margin	\$ 395,263,315	\$ 564,377,177	\$ 579,489,145	\$ 612,948,052	\$ 643,070,033	\$ 792,093,404
Total net debt applicable to the limit as a percentage of debt limit	12.3%	8.3%	7.4%	6.4%	5.5%	11.6%

**Legal Debt Margin Calculation for Fiscal Year 2008**

Appraised valuation - June 30, 2008 \$ 11,205,289,093

Debt limit - eight percent (8%) of appraised valuation 896,423,127

Gross Debt

Total bonded debt 74,575,500  
 Authorized and unissued bonds 52,042,000  
 Notes payable 11,979,494  
 Capital lease 63,204  
 Certificates of participation 830,000

Gross debt 139,490,198

Statutory Deductions (35,160,475)

Net debt 104,329,723

Legal debt margin \$ 792,093,404

Notes: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

NC Statute GS159-55 limits the County's outstanding debt to 8% of the appraised value of property subject to taxation.

The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit, and represents the County's legal borrowing authority.



## Schedule 12

County of Moore  
Demographic and Economic Statistics  
Last Six Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5) (6)
2003	77,424	\$2,498,623	\$ 31,655	42.76	11,331	7.2%
2004	78,226	2,677,962	33,447	43.04	11,711	5.9%
2005	79,342	2,893,745	35,575	43.32	11,937	5.4%
2006	80,867	3,048,519	36,932	43.52	12,014	4.8%
2007	83,933	N/A	N/A	44.80	12,294	4.8%
2008	84,435	N/A	N/A	N/A	12,334	4.9%

Sources: (1) NC Association of County Commissioners  
(2) Bureau of Economic Analysis  
(3) NC Department of Demographics  
(4) Moore County Schools 2007-2008 Day 10 Enrollment Report  
(5) NC Employment Security Commission  
(6) Moore County Partners in Progress

Note: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

N/A - not available

**County of Moore  
Principal Employers  
Current Year and Seven Years Ago**

Employer	2008			2000 - (Note 2)		
	Employees (Note 1)	Rank	Percentage of Total County Employment	Employees (Note 3)	Rank	Percentage of Total City Employment
First Health of the Carolinas, Inc.	1,000 & over	1	N/A	1,000 & over	1	N/A
Moore County Schools	1,000 & over	2	N/A	1,000 & over	2	N/A
Pinehurst, Inc.	1,000 & over	3	N/A			
County of Moore	500 - 999	4	N/A			
Sandhills Community College	500 - 999	5	N/A			
Wal-mart Associates, Inc.	250 - 499	6	N/A	250 - 499	6	N/A
Lee Electrical Construction, Inc.	250 - 499	7	N/A	100 - 249	9	N/A
Guilistan Carpet Inc.	250 - 499	8	N/A	250 - 499	3	N/A
St. Joseph of the Pines Hospital, Inc.	250 - 499	9	N/A	250 - 499	7	N/A
Pinehurst Medical Clinic, Inc.	250 - 499	10	N/A			
Perdue Farms Inc				250 - 499	4	N/A
Stanley Furniture Co Inc.				250 - 499	5	N/A
Food Lion				250 - 499	8	N/A
Klaussner Furniture Industries Inc.				100 - 249	10	N/A
Total	N/A		N/A	N/A		N/A

Source: NC Employment Security Commission Website

Notes: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

1. Per the NC Employment Security Commission, Labor Market Division Employee figures were compiled for statistical purposes on a range basis only.
2. Per the NC Employment Security Commission, Labor Market Division Principal Employers Data only goes back as far as 2000. This information has been included for comparison purposes.

N/A - not available

## Schedule 14

**County of Moore**  
**Full-time Equivalent County Employees by Function**  
**Last Six Fiscal Years**

Function	Full-time Equivalent Employees as of June 30					
	2003	2004	2005	2006	2007	2008
General government	90	92	117	94	97.00	103.00
Public safety:						
Law enforcement	72	71	69	72	73	76
Other (Jail, communications, EMS and emergency management	100	97	97	100.50	100.50	110
Environmental protection and community development	62	61	26	48.50	49.5	53
Human services	228	229	210	225	227.50	224.50
Cultural and recreational	20	20	16	17	16	16
Water/Sewer	54	54	76	53	53	59
Total employees	626	624	611	610	616.50	641.50

Source: Moore County Human Resources Department

Note: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

**County of Moore**  
**Operating Indicators by Function**  
**Last Six Fiscal Years**

Function	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Planning						
Permits issued	653	607	658	664	719	677
Sheriff						
Physical arrests	N/A	3,895	2,375	2,708	2,692	2,271
Civil Papers Served	N/A	4,349	4,374	4,098	4,459	4,307
Traffic violations	N/A	N/A	3,276	4,874	1,077	2,161
EMS						
Number of calls answered	9,632	10,618	10,841	11,341	12,750	12,828
Fire						
Inspections	211	438	411	521	1,189	1,251
Sanitation						
Garbage collected (tons/day)	12,713	13,418	13,755	14,419	14,376	13,840
Landfill collections (tons/day)	24,808	26,237	29,823	36,406	36,125	36,469
Recyclables collected (tons/day)	2,093	2,152	2,306	1,983	1,724	1,915
Culture and recreation						
Athletic activities participants	1,894	1,986	2,213	2,443	4,333	4,111
Water						
New connections	675	644	478	450	343	247
Water mains breaks	N/A	N/A	6	8	27	33
Average daily consumption (thousands of gallons-based on meter readings)	1,807,065	1,772,759	2,027,619	2,531,935	2,335,563	2,865,531
Wastewater						
Average daily sewage treatment (thousands of gallons)	4.58	4.96	4.74	4.79	5.11	4.43

Sources: Various county governmental departments

Note: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

N/A - not available

**County of Moore**  
**Capital Asset Statistics by Function**  
**Last Six Fiscal Years**

Function	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Airport	1	1	1	1	1	1
Airport acreage	310.65	370.52	380.94	380.94	380.94	485.86
County vehicles	246	263	269	259	267	279
Recreation						
Parks acreage	60.36	60.36	60.36	60.36	60.36	60.36
Parks	3	3	3	3	3	3
Solid Waste						
Collection sites	7	7	7	7	7	7

Sources: Various county governmental departments

Note: The County of Moore began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.



**DIXON HUGHES** PLLC

Certified Public Accountants and Advisors

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on  
an Audit of Financial Statements Performed in Accordance  
with Government Auditing Standards**

The Board of County Commissioners  
County of Moore  
Carthage, North Carolina

We have audited the basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Moore, North Carolina, as of and for the year ended June 30, 2008, which collectively comprise the County of Moore, North Carolina's basic financial statements and have issued our report thereon dated November 12, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Moore County ABC Board were not audited in accordance with *Government Auditing Standards*.

*Internal Control Over Financial Reporting*

In planning and performing our audit, we considered Moore County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Moore County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Moore County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Moore County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Moore County's financial statements that is more than inconsequential will not be prevented or detected by Moore County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Moore County's internal control.

Our consideration of the internal control over financial reporting was for limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### *Compliance and Other Matters*

As part of obtaining reasonable assurance about whether Moore County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the management of Moore County, in a separate letter dated November 12, 2008.

This report is intended solely for the information and use of the audit committee, management, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Dixon Hughes PLLC*

November 12, 2008  
Southern Pines, North Carolina



**DIXON HUGHES** PLLC

Certified Public Accountants and Advisors

**Report on Compliance with Requirements Applicable to Each  
Major Federal Program and Internal Control Over Compliance in Accordance with  
OMB Circular A-133 and the State Single Audit Implementation Act**

The Board of County Commissioners  
County of Moore  
Carthage, North Carolina

*Compliance*

We have audited the compliance of Moore County, North Carolina with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major federal programs for the year ended June 30, 2008. Moore County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Moore County's management. Our responsibility is to express an opinion on Moore County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit Organization*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Moore County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Moore County's compliance with those requirements.

In our opinion, Moore County, North Carolina complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.



### *Internal Control Over Compliance*

The management of Moore County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Moore County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Moore County's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by Moore County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Moore County's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Dixon Hughes PLLC*

November 12, 2008  
Southern Pines, North Carolina



**DIXON HUGHES** PLLC

Certified Public Accountants and Advisors

**Report on Compliance with Requirements Applicable to Each  
Major State Program and Internal Control Over Compliance in Accordance  
with Applicable Sections of OMB Circular A-133 and the  
State Single Audit Implementation Act**

The Board of County Commissioners  
County of Moore  
Carthage, North Carolina

*Compliance*

We have audited the compliance of Moore County, North Carolina with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major State programs for the year ended June 30, 2008. Moore County's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Moore County's management. Our responsibility is to express an opinion on Moore County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Moore County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Moore County's compliance with those requirements.

In our opinion, Moore County complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended June 30, 2008.

*Internal Control Over Compliance*

The management of Moore County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered Moore County's internal control over compliance with requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliances. Accordingly, we do not express an opinion on the effectiveness of Moore County's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a State program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a State program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a State program that is more than inconsequential will not be prevented or detected by Moore County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a State program will not be prevented or detected by Moore County's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Dixon Hughes PLLC*

November 12, 2008  
Southern Pines, North Carolina

**COUNTY OF MOORE, NORTH CAROLINA**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2008**

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**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified	No
• Significant Deficiency(s) identified that are not considered to be material weaknesses	No
Noncompliance material to financial statements noted	No

**Federal Awards**

Internal control over major federal programs:	
• Material weakness(es) identified	No
• Significant Deficiency(s) identified that are not considered to be material weaknesses	No
Noncompliance material to federal awards	No
Type of auditor's report issued on compliance for major federal programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133	No
Identification of major federal programs:	

CFDA Numbers

Name of Federal Program or Cluster

93.778	Medicaid Cluster
10.551, 10.561	Food Stamp Cluster
20.106	Federal Aviation Administration Cluster
93.568	Low-Income Home Energy Assistance Block Grant
14.228	Community Development Block Grant

Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$1,923,788</u>
Auditee qualified as low-risk auditee?	No

**State Awards**

Internal control over major State programs:	
• Material weakness(es) identified	No
• Significant deficiency(s) identified that are not considered to be material weaknesses	No
Noncompliance material to State awards	No

**COUNTY OF MOORE, NORTH CAROLINA**  
**Schedule of Findings and Questioned Costs (Continued)**

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**Section I - Summary of Auditors' Results (Continued)**

**State Awards (Continued)**

Type of auditor's report issued on compliance for major State programs	Unqualified
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Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act	No
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Identification of major State programs:

Program Name

Medicaid Cluster  
Drought Relief Project  
Hangar Taxiways

**Section II - Financial Statements Findings**

None reported

**Section III - Federal Award Findings and Questioned Costs**

None reported

**Section IV - State Award Findings and Questioned Costs**

None reported

**COUNTY OF MOORE, NORTH CAROLINA**  
**Summary Schedule of Prior Year Audit Findings**  
**For the Year Ended June 30, 2008**

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**Finding 2007-1**

**Status: Corrected**

**COUNTY OF MOORE, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the fiscal year ended June 30, 2008**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
<b>Federal Grants:</b>				
<b>Cash Programs:</b>				
<u>U.S. Dept. of Health &amp; Human Services</u>				
Passed-through Office of the Surgeon General				
National Association of County and City Health Officials Grant	93.008	1 MRCSG081001-01	\$ 7,476	\$ -
Medical Reserve Corps Grant	93.008		24,400	-
Total Office of the Surgeon General			31,876	-
Passed-through Triangle J Council of Governments:				
Special Programs for the Aging - Title III E				
National Family Caregiver Support Program	93.052		35,979	2,399
Aging Cluster:				
Special Programs for the Aging				
Preventative Health	93.043		8,684	515
Special Programs for the Aging - Title III B				
Grants for Supportive Services and Senior Centers	93.044		151,883	342,876
Social Services Block Grant				
In-Home Services	93.667		26,304	47,677
Special Programs for the Aging - Title III C				
Nutritional Services	93.045		96,900	43,101
Total Aging Cluster			283,751	434,169
Total Triangle J Council of Governments			319,730	436,568
Division of Social Services:				
Administration:				
Temporary Assistance to Needy Families	93.558		652,480	2,081
Child Support Enforcement	93.563		566,956	-
Child Care Administration	93.596		133,974	-
Permanency Planning: Child Welfare Services	93.645		32,052	6,448
Low-Income Home Energy Assistance Block Grant	93.568		19,971	-
Direct Benefit Payments:				
Temporary Assistance to Needy Families	93.558		469,722	-
Low-Income Home Energy Assistance Block Grant	93.568		131,656	-
IV-E Adopt	93.659		207,343	57,904
IV-E CPS	93.658		69,169	37,565
Crisis Intervention	93.568		144,756	-
Family Preservation	93.556		9,706	-
Social Services Block Grant	93.667		224,945	23,191
LINKS Trust/Scholarship	93.674		10,990	30
Independent Living Grant	93.674		18,408	3,881
Total Nonclustered			2,692,128	131,100
Foster Care and Adoption Cluster:				
IV-E Admin Co. Paid to CCI	93.658		15	-
IV-E Foster Care	93.658		99,927	28,960
IV-E Foster Care In-excess	93.658		10,770	-
IV-E Optional Adoption Assistance	93.658		240,565	68,317
Total Foster Care and Adoption Cluster			351,277	97,277
Total Division of Social Services			3,043,405	228,377
Passed-through N.C. State Board of Elections				
Title II Help America Vote Act (HAVA)	90.401	Include State Purchase	68,722	-
Administration for Children and Families				
Passed-through the N.C. Dept. of Health and Human Services				
Subsidized Child Care (3)				
Child Care Development Fund Cluster				
Division of Child Development:				
Child Care Development Fund-Discretionary	93.575		984,625	-
Child Care Development Fund-Mandatory	93.596		374,270	-
Child Care Development Fund-Match	93.596		192,359	107,169
Social Services Block Grant	93.667		6,520	-
Temporary Assistance to Needy Families	93.558		248,440	-
Smart Start			-	10,675
State Appropriations			-	46,954
Temporary Assistance to Needy Families-MOE			-	586,938
Total Subsidized Child Care Cluster			1,806,214	751,736
Division of Medical Assistance:				
Administration:				
Title XIX - Medicaid	93.778		891,215	41,715
Medicaid Transportation	93.778		207,283	97,545
NC Health Choice	93.767		37,916	3,701
Direct Benefit Payments:				
Title XIX - Medicaid	93.778		43,565,147	22,527,669
Total Division of Medical Assistance			44,701,561	22,670,630

**COUNTY OF MOORE, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the fiscal year ended June 30, 2008**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
Passed-through the N.C. Dept. of Insurance Division of Seniors' Health Insurance Seniors' Health Insurance Information Program	93.779		\$ 3,333	\$ -
Division of Public Health:				
Get Alarmed NC Grant	93.136		2,280	-
Centers for Disease Control & Prevention Investigations and Technical Assistance	93.283		94,073	-
Family Planning Services	93.217		113,913	-
Immunization Program/Aid to County Funding	93.268		17,236	-
Temporary Assistance for Needy Families	93.558		8,205	-
Breast and Cervical Cancer Control Grant	93.919		11,353	-
Maternal and Child Health Services Block Grant	93.994		177,677	-
Total Division of Public Health			424,737	-
Total U.S. Dept. of Health and Human Services			50,399,578	24,087,311
<u>Corporation for National and Community Service</u>				
Direct Program:				
Retired Senior Volunteer Program	94.002		37,015	-
<u>U.S. Dept. of Agriculture</u>				
Passed-through N.C. Dept. of Health & Human Services:				
Division of Social Services:				
Food Stamp Cluster:				
State Administrative Matching Grants for the Food Stamp Program	10.561		373,772	-
Food Stamp Program - Noncash	10.551		7,082,397	-
Total Food Stamp Cluster			7,456,169	-
Division of Public Health:				
Administration:				
Special Supplemental Food Program for Women, Infants, & Children	10.557		308,016	-
Direct Benefit Payments:				
Special Supplemental Food Program for Women, Infants, & Children	10.557		1,614,484	-
Direct Program:				
Water and Waste Disposal Systems for Rural Communities - EMWD	10.760		966,167	-
Passed-through Triangle J Council of Governments:				
USDA Meals	10.570		18,136	-
Total U.S. Dept. of Agriculture			10,362,972	-
<u>U.S. Dept. of Justice</u>				
Direct Program:				
State Criminal Alien Assistance Program	16.606		19,152	-
Bulletproof Vest Partnership Program	16.607		17,140	-
Passed-through Bureau of Justice Assistance				
Governor's Crime Commission				
Tactical Vests for Special Response Team	16.738	2007-DJ-BX-1315	10,791	-
Drug Investigative Overtime	16.738	063-1-07-001-BH-943	8,073	-
Weapon Replacement	16.738	063-1-07-001-BH-943	9,000	-
Total U.S. Dept. of Justice			64,156	-
<u>U.S. Dept. of Transportation</u>				
Federal Aviation Administration Cluster (2):				
Airport Improvement Program 3-37-0069-21	20.106	36244.57.5.2	2,510,740	65,902
Airport Improvement Program 3-37-0069-23	20.106		12,498	329
Airport Improvement Program 3-37-0069-24	20.106		58,429	1,538
Total Federal Aviation Administration Cluster			2,581,667	67,769
Passed-through N.C. Dept. of Transportation				
Federal Transit Administration Cluster:				
Section 5311 - Rural Public Transportation Program	20.509	Ad 36233.74.8.1	161,591	10,099
Section 5311 - Rural Public Transportation Program	20.509	Cp 36233.74.8.3	301,511	37,689
Total Federal Transit Administration Cluster			463,102	47,788
Governor's Highway Safety Program - Traffic Enforcement Team	20.600	PT-08-03-04-13	59,243	-
Governor's Highway Safety Program	20.609	K4-07-05-16	44,812	-
			104,055	-
Total U.S. Dept. of Transportation			3,148,824	115,557



**COUNTY OF MOORE, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the fiscal year ended June 30, 2008**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
<u>Department of Homeland Security</u>				
Passed-through N.C. Dept. of Crime Control and Public Safety:				
Citizen Corps Council Grant	97.053	2006-GE-T6-0010	\$ 6,000	\$ -
Emergency Performance Grant and Supplement	97.042	1510-512-2005	470	-
Community Emergency Response Team	97.054		1,221	-
FY06 Citizen Corps	97.053	2006-GE-T6-0010	6,000	-
Emergency Management Performance Grant 2006	97.042	EMPG-2006-37125	682	-
Emergency Management Performance Grant 2007	97.042	EMPG-2007-37125	19,466	-
Total Federal Emergency Management Agency			<u>33,839</u>	<u>-</u>
<u>Department of Housing and Urban Development</u>				
Passed-through N.C. Dept. of Commerce:				
Community Development				
Addor Community Revitalization	14.228		26,704	-
Scattered Site Housing FY06	14.228		<u>18,041</u>	<u>-</u>
Total Department of Housing and Urban Development			<u>44,745</u>	<u>-</u>
<u>U.S. National Geospatial Programs Office</u>				
Passed-through N.C. Dept. of Environment and Natural Resources:				
NC OneMap Ortho Grant	15.809		<u>35,130</u>	<u>-</u>
Total federal assistance			<u>64,126,259</u>	<u>24,202,868</u>
<b>State Grants:</b>				
<b>Cash Programs:</b>				
<u>N.C. Dept. of Health and Human Services</u>				
Smart Start Cluster:				
Passed-through Moore County Partnership for Children and Families:				
Parent Education			-	19,500
Division of Social Services:				
Administration:				
CPS Expansion State			-	52,154
State Aid to Counties			-	45,407
Smart Start Daycare - Administration			-	42,756
F/C At Risk Maximization			-	11,241
State Adult Protective Services-FACES			-	18,164
Direct Benefit Payments:				
CWS Adoption Assistance			-	105,235
State/County Special Assistance for Adults			-	863,211
CP&L Energy Program			-	29,249
State Foster Care Benefits Program			-	60,687
Total Division of Social Services			<u>-</u>	<u>1,228,104</u>
Division of Aging:				
Passed-through Triangle J Council of Governments:				
Heat Relief Fans			-	610
Division of Medical Assistance				
Health Check Grant			-	36,285
Division of Public Health:				
General Health Grant			-	39,635
Random Moment Time Studies			-	7,767
Tuberculosis			-	13,546
Maternal Health			-	60,293
Maternal Care Coordinator			-	35,160
Women's Preventative Health			-	8,895
Children's Special Health Services			-	5,552
Healthy Carolinians Partnership Support			-	10,856
Breast and Cervical Cancer Control			-	12,901
TB Medical Services			-	1,006
Total Division of Public Health			<u>-</u>	<u>195,611</u>
Total N.C. Dept. of Health and Human Services			<u>-</u>	<u>1,480,110</u>
<u>Office of the Governor</u>				
Office of Juvenile Justice - Juvenile Crime Prevention Program			-	181,196
Public School Building Capital Fund - Lottery Fund			-	388,283
Public School Building Capital Fund - ADM Fund			-	578,804
Total Office of the Governor			<u>-</u>	<u>1,148,283</u>
<u>N.C. Dept. of Correction</u>				
Criminal Justice Partnership Program			-	104,865

**COUNTY OF MOORE, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the fiscal year ended June 30, 2008**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal (Direct &amp; Pass-through) Expenditures</u>	<u>State Expenditures</u>
<u>N.C. Division of Veterans Affairs</u>				
Veterans Services			\$ -	\$ 2,000
<u>N.C. Division of Aging and Adult Services</u>				
Passed-through Triangle J Council of Governments:				
Senior Center General Purpose Funding			-	16,404
<u>N.C. Rural Economic Development Center</u>				
Drought Relief Project - Pinehurst Interconnect		02-62-21	-	400,000
Infrastructure Improvements to the Moore County WWTP Facility			-	101,407
Total NC. Rural Economic Development Center			-	501,407
<u>N.C. Dept. of Transportation</u>				
Hangar Taxiways		36244.57.6.1	-	544,777
Eastwood Volunteer Fire Department		8C.063068	-	8,312
Rural Operating Assistance Program		DOT-16CL	-	212,408
Total N.C. Dept. of Transportation			-	765,497
<u>N.C. Dept. of Environment and Natural Resources</u>				
Environmental Health Grant			-	22,258
Soil and Water Technical Assistance Grant			-	25,660
Total N.C. Dept. of Environment and Natural Resources			-	47,918
<u>N.C. Tobacco Trust Fund Commission</u>				
Tobacco Trust Grant			-	15,410
<u>N.C. State Bureau of Investigation</u>				
Passed-through Department of Justice:				
SAFIS Livescan Equipment Grant			-	23,780
<u>N.C. of Commerce</u>				
NC One Grant - American Growler			-	25,000
Total state cash assistance			-	4,130,674
Total assistance			\$ 64,126,259	\$ 28,333,642

Notes to Schedule of Expenditures of Federal and State Awards:

(1) The accompanying schedule of expenditures of Federal and State awards includes the Federal and State grant activity of the County of Moore and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, Non-Profit Organizations, and State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the accompanying financial statements.

(2) Federal funding for Airport Improvement Program grants is received directly from the Federal Aviation Administration. The State match is received from the North Carolina Department of Transportation as State Aid to Airports grants. Federal grant numbers are shown as part of the name of the grant; state grant numbers are shown in the Grantor Number column. These grants are presented together to illustrate the local matching funds for the federal grants.

(3) The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Subsidized Child Care, Foster Care and Adoption, Mental Health Services, Developmental Disability Waiting List Services, Substance Abuse Services, and Infants and Toddlers with Disabilities.